Chains' '84: Profits Generally Bleak Despite Heavy Biz

Nationwide DSN Report

The earnings picture at the nation's leading discounters, catalogers and specialty retailers was generally bleak, in contrast to bright sales gains developed by these $400 million-plus retailers.

The muted earnings for most of the operations tracked by *DSN* showed that only 13 had double-digit gains in either net or operational income, while another half-dozen had single-digit increases. Ames reported the greatest jump in net income—43.4%—while Zayre Corp.'s Zayre discount stores had the largest boost in operational income—34.6%.

Additionally, six retailers reported earnings declines, with Best Products' bottom-line results down 58.8%, the greatest of any retailer. Two chains—Heck's and H. J. Wilson—reported red ink of $7.8 million and $3.3 million, respectively.

This overall earnings situation was in sharp contrast with the sales scene, as 25 chains reported double-digit volume gains that reached such peaks as 45.4% for Circuit City, 37.2% for Wal-Mart and 30.3% for Zayre Corp.'s Hit or Miss/T. J. Maxx off-price apparel specialty store division.

The numbers alone don't tell the story of a year that was described by K mart chairman Bernard M. Fauber as "one of the most severely competitive periods retailers have experienced in decades."

K mart's sales of $21 billion were up 13.4%, just under the 16.5% average sales gain for the 32 retailing operations, while its retailing net income of $492.9 million was only a 1.2%

(Continued on page 61)

Ames Boosted Net the Most: 43.4%

	Sales (add 000)			Net Earnings (add 000)				
Company	1984	1983	% Change	1984	(as % of sales)	1983	(as % of sales)	% Gain (in dollar earnings)
K mart[a]	$21,095,900	$18,597,900	13.4%	$492,900	2.3%	$487,200	2.6%	1.2 %
Federated Dept. Stores[b]	9,672,336	8,689,579	11.3	286,700	3.0	311,700	3.6	(8.0)
Gold Circle; Richway	NA	NA		NA		NA		
Dayton Hudson[c]	8,009,030	6,963,255	15.0	259,346	3.2	245,457	3.5	5.7
Target	3,550,100	3,118,400	13.9	235,144	6.6	176,800	5.7	33.0
Mervyn's	2,141,100	1,688,900	26.8	223,245	10.4	184,500	10.9	21.0
Wal-Mart	6,400,861	4,666,909	37.2	270,767	4.2	196,244	4.2	38.0
F. W. Woolworth	5,737,000	5,456,000	5.2	141,000	2.5	118,000	2.2	19.5
May Co.[d]	4,762,400	4,190,900	13.7	214,100	4.5	187,000	4.5	14.8
Venture	926,200	777,800	19.1	49,800		43,600		14.2
Melville[e]	4,423,472	3,923,219	12.8	190,366	4.3	176,259	4.5	8.0
Marshalls	1,189,508	1,061,508	12.1	NA		NA		
Meldisco	932,609	848,449	9.9	NA		NA		
Associated Dry Goods	4,106,645	3,717,827	14.6	120,657	2.9	115,520	3.1	4.4
Caldor; Loehmann's	1,562,000	1,288,000	21.3	NA		NA		
Stop & Shop[f]	3,247,000	2,790,799	16.4	54,845	1.7	50,801	1.8	8.0
Bradlees	1,404,648	1,182,815	18.8	85,229	6.1	80,460	6.8	5.9
Zayre Corp.[g]	3,123,008	2,613,667	19.5	80,316	2.6	61,426	2.4	30.8
Zayre	2,195,740	1,902,146	14.4	122,246	5.6	90,847	4.8	34.6
Hit or Miss/T. J. Maxx	927,268	711,521	30.3	64,156	6.9	54,768	5.9	17.1
Best Products[h]	2,252,656	2,081,328	8.2	13,609	0.6	33,013	1.6	(58.8)
U.S. Shoe[i]	1,717,401	1,507,773	13.9	53,432	3.1	75,221	5.0	(29.0)
Specialty retailing	905,906	765,838	18.3	52,022	5.7	78,116	10.2	(33.4)
Toys "R" Us	1,701,700	1,319,642	29.0	111,424	6.5	92,317	7.0	20.7
Service Merchandise	1,656,992	1,458,098	13.6	44,576	2.7	44,869	3.1	(0.7)
SCOA Industries[j]	1,423,613	1,304,579	9.1	41,027	2.9	41,812	3.2	(1.9)
General merchandise	NA	1,082,801		NA		69,812	—	
Roses	927,395	829,286	11.8	23,898	2.6	21,886	2.6	9.2
G. C. Murphy[k]	913,252	872,151	4.7	19,009	2.1	17,027	2.0	11.6
Ames	821,985	647,256	27.0	28,516	3.5	19,886	3.1	43.4
H. J. Wilson	520,530	514,408	1.2	(3,339)	—	8,754	1.7	—
Circuit City	519,000	357,000	45.4	NA	NA	12,000	3.4	NA
Jamesway	475,406	416,773	14.1	13,264	2.8	11,509	2.8	15.2
Heck's	464,734	435,056	6.8	(7,782)	—	9,554	2.2	—

(a) K mart's earnings are just from retail operations; equity in income from insurance operations boosted earnings to $499.1 million in 1984 and to $492.3 million in 1983. (b) Federated Dept. Stores' income excluded one-time gain from sale of shopping centers. (c) Target's and Mervyn's earnings are operational income. (d) May Co.'s sales include rental revenues; Venture earnings are operational income. (e) Meldisco is jointly owned by Melville and K mart. (f) Bradlees' earnings are operational income. (g) Zayre's and Hit or Miss/T. J. Maxx's earnings are operational income. (h) Best Products' 1983 earnings are restated to reflect a change in the accounting method of valuing consumer electronics to FIFO from LIFO. (i) U.S. Shoe's specialty retailing earnings are operational income. (j) SCOA Industries' general merchandise earnings are operational income. (k) G. C. Murphy's income excludes extraordinary gains from the nontaxable exchange of long-term debt for equity, which boosted earnings to $20.1 million for 1984 and to $18.4 million for 1983. NA = Not available. —Not applicable.

Source: DSN Research

Security Has Lock on Home-Improvement Excitement

ATLANTA — New products, new packaging, new promotion possibilities and growing consumer awareness of the home security area found a mirror in discounter enthusiasm for the category last month.

Buyers flocking to the National Home Center Show here to sort out resources and, in some cases, take a last look at the market before finalizing fall home improvement programs called security the most exciting merchandise area at the show.

Some said that based on their work at the show they'd be realigning departments later this year to take advantage of security products' potential to glamorize their basically nuts and bolts business and hype fall traffic.

Most discounters at the show also took the opportunity to get a line on the availability of resources for kerosene heaters for the fall and to review other options in the space heater category.

Other items of interest to many included closet storage products, ultrasonic misters and unpainted furniture.

But the news of the show was definitely home security. Buyers on the floor of the Georgia World Congress Center said it's going to be an increasingly hot area for them for several reasons.

First, consumer consciousness of the category has mushroomed. "Security awareness is very visible now," noted Howard Stores buyer Jack Nelson, "so we're sure the category will remain very well shopped."

In addition, promotional opportunities continue to multiply. Most major insurers have recently begun to offer discounts to homeowners who install various security devices. Buyers said a popular promotion this fall would be a package of a smoke alarm, deadbolt and household fire extinguisher, the products the insurance carriers are asking for.

Finally, the growing availability of products like mercury vapor and quartz lights to the mass market through recent product and packaging innovations from makers like Handyman, ITT and General Electric is fueling the expansion of the whole security marketplace.

"Based on what I saw in terms of new concepts and packaging in outdoor lighting, I'm fairly confident that we'll

(Continued on page 61)

Discount Store News QUIZ

The *DSN* Quiz, testing your knowledge of news and trends in discount retailing covered in the previous two issues, will appear on this page monthly. Check your answers with the key on p. 60.

1. The hot feature for kitchen electrics this year will be:
   a) Multivoltage;
   b) Cordless;
   c) Disposable;
   d) Multipurpose.

2. Jamesway's growth plans call for:
   a) Expanding into new regions;
   b) Opening large 100,000-sq.-ft. store;
   c) Acquiring nonretailing firms;
   d) Filling in smaller markets.

3. Who is the new chairman of the Association of General Merchandise Chains?
   a) Samuel G. Leftwich;
   b) Max S. Danner;
   c) Edward T. Borda;
   d) William J. Marter.

4. A core group of ____ stores is the key to T.G. & Y.'s future:
   a) 100;
   b) 200;
   c) 300;
   d) 400.

5. Cataloger Service Merchandise reportedly made a bid for which other cataloger?
   a) Best Products;
   b) H. J. Wilson;
   c) L. Luria & Son;
   d) Ardan's.

6. Discounters and catalogers said their camera growth would come from:
   a) 35mm autofocus;
   b) Instant;
   c) Pocket;
   d) 3-D.

Is this person the new chairman of AGMC? See question 3.

7. RPM, gray market, "free-rider" and "rule of reason" are all buzzwords to discuss what subject?
   a) Hiring employees away from another chain;
   b) Negotiating leases;
   c) Antitrust legislation;
   d) Piggy-back advertising.

8. The rising star in many discounters' home improvement departments is:
   a) Electric paint guns;
   b) Water softeners and heaters;
   c) Unfinished KD furniture;
   d) Fluorescent outdoor paint.

9. What feature **isn't** in Gemco's new store prototype?
   a) 16-ft. main aisle bisecting unit;
   b) Outside glass display windows;
   c) IBM scanning equipment used for both food and general merchandise;
   d) A fresh seafood counter.

10. Owners of home computers can now shop a national electronic marketing service called:
    a) ElectroShop;
    b) Bit by Byte Shopping;
    c) Wizard Shopping;
    d) The Electronic Mall.

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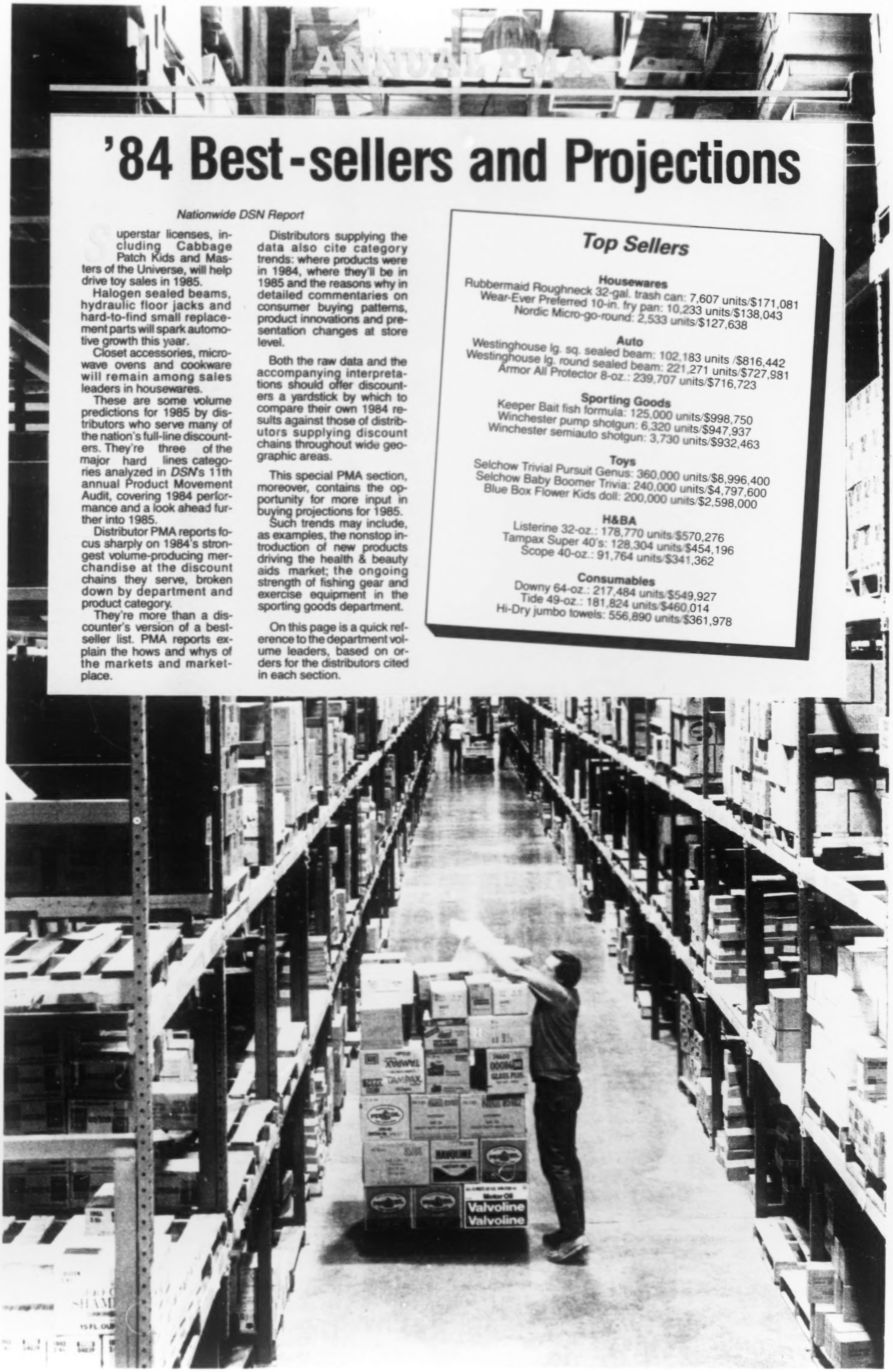


'84 Best-sellers and Projections

Nationwide DSN Report

Superstar licenses, including Cabbage Patch Kids and Masters of the Universe, will help drive toy sales in 1985.

Halogen sealed beams, hydraulic floor jacks and hard-to-find small replacement parts will spark automotive growth this yaar.

Closet accessories, microwave ovens and cookware will remain among sales leaders in housewares.

These are some volume predictions for 1985 by distributors who serve many of the nation's full-line discounters. They're three of the major hard lines categories analyzed in *DSN*'s 11th annual Product Movement Audit, covering 1984 performance and a look ahead further into 1985.

Distributor PMA reports focus sharply on 1984's strongest volume-producing merchandise at the discount chains they serve, broken down by department and product category.

They're more than a discounter's version of a best-seller list. PMA reports explain the hows and whys of the markets and marketplace.

Distributors supplying the data also cite category trends: where products were in 1984, where they'll be in 1985 and the reasons why in detailed commentaries on consumer buying patterns, product innovations and presentation changes at store level.

Both the raw data and the accompanying interpretations should offer discounters a yardstick by which to compare their own 1984 results against those of distributors supplying discount chains throughout wide geographic areas.

This special PMA section, moreover, contains the opportunity for more input in buying projections for 1985.

Such trends may include, as examples, the nonstop introduction of new products driving the health & beauty aids market; the ongoing strength of fishing gear and exercise equipment in the sporting goods department.

On this page is a quick reference to the department volume leaders, based on orders for the distributors cited in each section.

Top Sellers

Housewares
Rubbermaid Roughneck 32-gal. trash can: 7,607 units/$171,081
Wear-Ever Preferred 10-in. fry pan: 10,233 units/$138,043
Nordic Micro-go-round: 2,533 units/$127,638

Auto
Westinghouse lg. sq. sealed beam: 102,183 units /$816,442
Westinghouse lg. round sealed beam: 221,271 units/$727,981
Armor All Protector 8-oz.: 239,707 units/$716,723

Sporting Goods
Keeper Bait fish formula: 125,000 units/$998,750
Winchester pump shotgun: 6,320 units/$947,937
Winchester semiauto shotgun: 3,730 units/$932,463

Toys
Selchow Trivial Pursuit Genus: 360,000 units/$8,996,400
Selchow Baby Boomer Trivia: 240,000 units/$4,797,600
Blue Box Flower Kids doll: 200,000 units/$2,598,000

H&BA
Listerine 32-oz.: 178,770 units/$570,276
Tampax Super 40's: 128,304 units/$454,196
Scope 40-oz.: 91,764 units/$341,362

Consumables
Downy 64-oz.: 217,484 units/$549,927
Tide 49-oz.: 181,824 units/$460,014
Hi-Dry jumbo towels: 556,890 units/$361,978

CONSUMABLES

11th Annual PMA

DETERGENTS & LAUNDRY ADDITIVES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Downy Fabric Softener 64 oz	217,484	2.53	549,927
2	Tide Detergent 49 oz	181,824	2.53	460,014
3	Wisk Liquid Detergent 64 oz	76,248	3.56	271,442
4	Tide Detergent 171 oz	26,800	8.56	229,408
5	Purex Detergent 147 oz	32,628	4.70	153,351
6	Cheer Detergent 49 oz	51,590	2.53	131,038
7	Bounce Fabric Softener 40 CT	58,344	2.23	130,107
8	Final Touch 64 oz	56,094	2.17	121,723
9	Rinso Detergent Non-Phosphate 42 oz	84,770	1.28	108,505
10	Clorox Bleach 128 oz	94,530	1.14	107,764

PAPER PRODUCTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Hi-Dry Towels Jumbo	556,890	0.65	361,978
2	Cottonelle Bath Tissue 4-Roll	175,032	1.29	229,291
3	Charmin Bath Tissue White 4-Roll	163,776	1.29	212,908
4	White Cloud White 4-Roll	128,256	1.29	165,450
5	Coronet Bath Tissue 8-Pack	82,440	1.97	162,406
6	Bounty Towels White & Decor Jumbo	174,150	0.89	154,993
7	Delsey Bathroom Tissue 4-Roll	75,192	1.11	83,463
8	Kleenex Purse/Pocket Pack 8's	55,296	1.31	72,437
9	Banner Toilet Tissue Assorted 4-Roll	63,648	1.04	66,193
10	Coronet Facial Tissue 150 Ct	101,376	0.63	63,866

CANDY BARS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Snickers Bar 48 Ct	429,360	0.32	133,101
2	Reese Peanut Butter Cups 36 Ct	335,124	0.32	107,239
3	Kit Kat Bar 36 Ct	290,772	0.32	93,047
4	3 Musketeer Bar 36 Ct	290,412	0.32	90,027
5	M&M Plain 48 Ct	274,512	0.32	85,098
6	M&M Peanut 48 Ct	252,690	0.32	78,417
7	York Peppermint Patties 36 Ct	237,096	0.32	75,870
8	Milky Way Bar 36 Ct	242,388	0.32	75,140
9	Twix Bar 36 Ct	176,652	0.32	54,762
10	Hershey Almond Bar 36 Ct	169,056	0.32	52,407

CLEANING SUPPLIES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Fantastik Spray 32 oz	71,772	1.29	92,585
2	Murphy's Oil Soap Liquid 16 oz	70,092	1.13	79,203
3	Ajax Cleanser 14 oz	166,656	0.46	76,601
4	Windex Refill 32 oz	55,692	1.33	74,070
5	Arm & Hammer Baking Soda 16 oz	175,848	0.38	66,822
6	Dow Bathroom Cleaner 17 oz	49,008	1.34	65,670
7	Spic-n-Span 32 oz	28,896	2.03	58,658
8	Top Job 28 oz	24,276	2.15	52,193
9	Softscrub Cleanser 26 oz	29,259	1.78	52,081
10	Brillo Scour Pads 10's	60,552	0.82	49,652

Source: Boston Distributors, Maple Heights, Ohio, for calendar 1984. Boston supplies over 750 stores, including about 400 discount stores, in 18 states. Average retail prices listed by the distributor reflect typical price points for discount stores.

Mfr. Rivalry Builds Profit For Chains

BY CHARLES BOWLUS
Vice President,
Boston Distributors

Consumables represent the greatest opportunity for discount stores to draw in consumers.

Also, the intense competition among household chemical and laundry aid manufacturers results in buying opportunities for retailers which afford a respectable profit despite the competitiveness at the retail level.

The availability of lucrative promotional allowances on most major brands affords retailers the means of making a 20% profit margin while competing favorably with the food trade in most parts of the country. Even if profits fall to 15%, gross margin dollars per foot will exceed most other departments'.

Discounters not availing themselves of laundry aids will miss one of the great promotional opportunities of the year as Lever Brothers introduces its new fabric softener, Snuggle.

Marketed to be 15% lower in price than Downy (our No. 1 laundry aid), Snuggle has created a price war in test markets the like of which we have never seen in any category. Expect the prices on Downy and Final Touch, Lever's other brand, to drop 30% to 40% as Snuggle is launched.

Strengths Examined

The detergent segment of our PMA was of course led by Tide, the nation's No. 1 brand, while liquids were led by Lever's Wisk. Procter & Gamble is giving Lever a fight in liquids with its introduction of Tide liquid.

Cleaning supplies, our No. 2 category in the department, while not expected to experience the volatility that we will see in laundry aids, is also being shaken up by new product introductions.

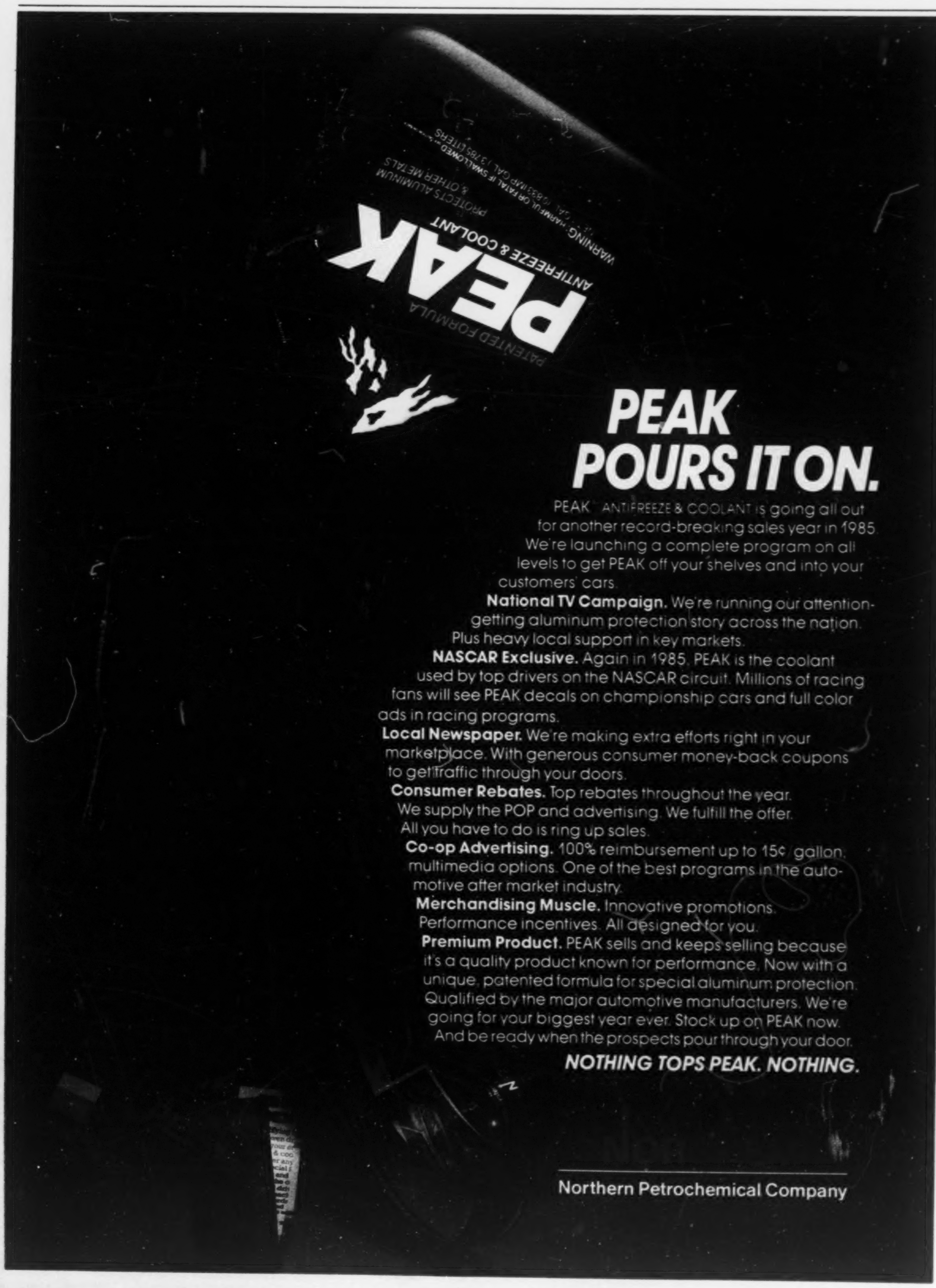
Fantastik, our No. 1 cleaning supply product, will face competition this year from Clorox's new entry, Tackle, and Pine Magic from Texize. These new cleaners boast disinfectants and bleach in formulations to increase their cleaning power.

The paper department was a mixture of brand names and price brands with Hi-Dri Towels landing at the top. Cottonelle, Charmin and White Cloud followed the towel in a race for the top premium bathroom tissue.

Another tremendous promotional opportunity is in loose chocolate bars and candy. Most discounters promote them just a few times a year on a seasonal basis, but they can be run on a monthly basis year-round.

Common promotions on loose chocolate bars are four for a dollar, with some discounters promoting them as low as five for a dollar.

The chocolate bar category is dominated by Mars, which took seven put-ups, including the No. 1 spot with Snickers. Hershey had four mentions, with its Reese Peanut Butter Cups and Kit Kat bar in the No. 2 and No. 3 positions.


PEAK POURS IT ON.

PEAK ANTIFREEZE & COOLANT is going all out for another record-breaking sales year in 1985. We're launching a complete program on all levels to get PEAK off your shelves and into your customers' cars.

National TV Campaign. We're running our attention-getting aluminum protection story across the nation. Plus heavy local support in key markets.

NASCAR Exclusive. Again in 1985, PEAK is the coolant used by top drivers on the NASCAR circuit. Millions of racing fans will see PEAK decals on championship cars and full color ads in racing programs.

Local Newspaper. We're making extra efforts right in your marketplace. With generous consumer money-back coupons to get traffic through your doors.

Consumer Rebates. Top rebates throughout the year. We supply the POP and advertising. We fulfill the offer. All you have to do is ring up sales.

Co-op Advertising. 100% reimbursement up to 15¢/gallon, multimedia options. One of the best programs in the automotive after market industry.

Merchandising Muscle. Innovative promotions. Performance incentives. All designed for you.

Premium Product. PEAK sells and keeps selling because it's a quality product known for performance. Now with a unique, patented formula for special aluminum protection. Qualified by the major automotive manufacturers. We're going for your biggest year ever. Stock up on PEAK now. And be ready when the prospects pour through your door.

NOTHING TOPS PEAK. NOTHING.

Northern Petrochemical Company

Strong Tool and Security Promos Due

By ARNOLD REINHARD
Vice President, Sales and Marketing, Schreiber Co.

Looking forward, the market for our customers is good. Right now, however, they're coming off a lousy January and February leaving inventories very heavy and open-to-buys tight.

There's no question things will open up later this year. Meanwhile, we'll see lots of activity in the heavily promoted areas like power tools, hand tools and security.

You may see items like our best-selling Black & Decker Dustbuster on ad at around $25.99, the ⅜-in., variable speed, reversible drill at $23.99, and so on.

We're also moving more and more heavily into a replacement market in power tools. It's not just the fact that people are more dedicated to do-it-yourself. What we're seeing is that most homeowners, who have many of these items like an inexpensive drill, now want to get a more expensive, better-quality replacement.

This is increasingly driving the market for items like the B & D variable speed reversible drill or B & D's 7391 7¼-in. circular saw which retails every day at about $54.

In addition, the power tool accessory business, which is always good, with retailer gross margins averaging over 40%, is getting even better now as a result of the growing power tool replacement business. Drill bits still crowd the top of the list as they did last year. Our No. 1 volume mover, however, B & D's saw hole assistant, didn't make the top group at all last year.

Security items are again being heavily promoted and based on this should generate quite high movement this year. The top items in this category will continue to be the entry locks and padlocks. What's shifting is the market share that the imported items like Harlock are taking. They are coming in with both a pricing and a margin advantage and it's making them very popular circular items for our customers.

Last year, three of our top four movers in this category were from Master and just one, the T-700 Entry Module, from Harlock. This year it's reversed; three of the top four are from Harlock. There's also been a jump in the number of items being moved. We moved 31,000 more units of the T-700 in 1984 than in 1983, and the average everyday retail at about $10.95 was a dollar more than the year before.

In hand tools we're looking for an improving business for the remainder of the year. We see this area being helped by the fact that more and more women are getting involved in do-it-yourself activities. The top items aren't going to change much because they've been tending to stay pretty firmly locked in the items that are most basic to a do-it-yourself project: staple guns, rules and tapes, utility knives.

The hardware area should continue this year to be the biggest traffic draw for the discounter's hardware department, and we anticipate continued strong Dollar Day and event ads to keep this area strong.

Spring projects like garage cleanups are keeping the area going right now, but so many people are getting into ad-on projects with their current homes that we're tending to look at this area as one with never-ending potential for certain merchandise—shelf brackets, for instance.

Our hottest piece of merchandise last year, though, was the

(Continued on page 30)

POWER TOOLS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	B & D 9330 Dustbuster	3,722	31.83	118,471.26
2	B & D 7391 7¼" Circular Saw	796	54.39	43,294.44
3	B & D 7127 ⅜ Vari Rev Dr	1,407	29.10	40,943.70
4	B & D 7308 7¼" Saw	951	40.48	38,496.48
5	B & D 9360 Spotlighter	1,181	26.29	31,048.49
6	B & D 7404 Sander	1,042	26.81	27,936.02
7	B & D 2-Speed Jig Saw	845	27.80	23,491.00
8	B & D 7104 ⅜" Drill	1,004	26.61	21,696.44
9	B & D 9333 Dustbuster Plus	474	41.30	19,576.20
10	B & D 9020 Cordless Drill	477	40.64	19,385.25
11	B & D 7224 ½" Drill	295	60.07	17,720.65
12	B & D 7436 Sander	408	41.66	16,997.28
13	B & D 7504 Jig Saw	889	19.09	16,971.01
14	B & D 7190 ⅜" Drill Vs	387	41.25	15,963.75
15	B & D 9385 Scrubber	310	46.41	14,387.10

POWER TOOL ACCESSORIES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	B & D 71-120 Hole Saw Asst	860	9.74	8,376.40
2	B & D U1670 6-Pc Set	930	8.90	8,277.00
3	B & D 71-007 7-Pc Drill Set	1,314	5.87	7,713.18
4	B & D 73-369 7¼" Carbide	884	8.54	7,549.36
5	B & D 70-404 ⅛" Drill Bit	4,905	1.44	7,063.20
6	B & D 79031 Workmate	101	64.29	6,493.29
7	B & D U2499 Router Bits	559	11.43	6,389.37
8	B & D 71-382 Mag Bit with Hld	920	6.77	6,228.40
9	B & D 730107 7¼" Comb	1,485	4.10	6,088.50
10	B & D 73-007 Combination Blade	1,849	2.84	5,251.16
11	B & D 73-047 7¼" Plywood Blade	1,574	2.97	4,674.78
12	B & D 73-217 7" Metal Blade	1,668	2.57	4,286.76
13	B & D 73-147 7¼" Blade	634	6.76	4,285.84
14	B & D 73-237 7" Mason Blade	1,648	2.57	4,235.36
15	B & D 70-436 5-Pc Drill Set	980	4.21	4,125.80

PLUMBING

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Melard 1501 Basket Strainer	11,517	1.55	17,851.35
2	Melard 18016 6' Fem X Fem	3,990	3.58	14,284.20
3	Melard 1603 Ballcock Brass	1,299	10.94	14,211.06
4	Melard 14206 6' Plunger	9,390	1.45	13,615.50
5	Melard 1619 Flapper Ball	9,069	1.41	12,787.29
6	Melard 1600 Toilet Tank Kit	1,913	6.50	12,434.50
7	Melard 3525 Shower Massage	717	17.21	12,339.57
8	Melard 1601 Ballcock Plastic	2,101	4.48	9,412.48
9	Melard 19012 Sink Strainer	1,454	6.25	9,087.50
10	Melard 1422 Super Plunger	2,780	3.26	9,062.80
11	Melard 1660 Survo-Flush Kit	1,507	5.97	8,996.79
12	Melard 361 Guardsman with Adj	1,175	7.48	8,789.00
13	Melard 360 Executive Head	1,849	4.50	8.320.50
14	Melard 373 Shower Massage	769	10.25	7,882.25
15	Melard 68321 24" Towel Bar	821	9.29	7,627.09

ELECTRICAL

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Epak Moc-6C Multi-Outlet	1,965	16.81	33,031.65
2	Carol 03302 100' Org Ext	1,750	14.38	25,165.00
3	Elec Moc-4C Multi-Outlet	1,286	15.04	19,341.44
4	Leviton 800-274 3-Way Adapter	21,799	0.80	17,439.20
5	Leviton 801-6101 Night Light	8,766	1.86	16,304.76
6	Epak Elvt-300WG Pagoda Kit	99	132.68	13,135.32
7	Genc 12-2-5- Romex Nm	1,251	10.21	12,722.71
8	Leviton 801-6671 Dimmer	2,923	4.16	12,159.68
9	3MCO 195A ¾x250 Tape	10,288	1.16	11,934,08
10	Leviton 800-48642 Rubber Plug	7,055	1.65	11,640.75
11	Carol 4170 8½" C1 Lamp	2,213	5.25	11,618.25
12	Genc 12-2-100 Romces Nm	577	19.44	11,216.88
13	Leviton 800-1215 Ground Outlet	7,023	1.55	10,885.65
14	Leviton 800-697 Plug Outlet	4,009	2.71	10,864.39
15	Leviton 800-1406 Socket Adapter	5,535	1.91	10,571.85

SECURITY

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Harlock T-700 US3 Entry Module	7,921	10.95	86,734.95
2	Master 1500D Combination Padlock	9,796	3.40	33,306.40
3	Harlock UR 700-M-DL US3 Entry	1,542	14.60	22,513.20
4	Harlock T-700-M-DL US5 Entry	1,587	11.61	18,425.07
5	Master 1½" 22D Padlock	8,832	2.00	17,664.00
6	Harlock T-200 US3 Bedroom Pb	2,100	6.73	14,133.00
7	Harlock T-100 US3 Passage Pb	2,387	5.92	14,131.04
8	Master 1¾ 500D Padlock	5,531	2.55	14,104.05
9	Ideal SK600 Knob Lock	1,950	6.20	12,090.00
10	Harlock UJ 700 M-DL US5 Entry	776	15.30	11,872.80
11	Harlock DC-DB 840 US3 DDUB	1,016	11.62	11,805.92
12	Ideal 45-3024 Nite Latch	1,923	5.98	11,499.54
13	Master 1¾" 1D Padlock	1,763	6.05	10,666.15
14	Ideal SK85 Pneumatic Close	2,177	4.77	10,384.29
15	Master 1⅛" 7D Padlock	2,337	4.33	10,119.21

HARDWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	USM 203 Glue Gun	1,241	11.67	14,482.47
2	Ferm #500 8X10 Shelf Bracket	21,800	0.54	11,772.00
3	USM K110 Pop Rivetool	1,070	9.84	10,528.80
4	Ferm #500 6x8 Shelf Bracket	24,240	0.42	10,180.80
5	Ferm #500 10x12 Shelf Bracket	10,876	0.86	9,353.36
6	USM 220 All Purpose Glue	2,987	2.24	6,690.88
7	Weslock 810B Coat Hook Brass	3,349	1.25	4,186.25
8	USM S-42 Rivets Steel, Sh	3,430	1.17	4,013.10
9	USM CD4SD Molly Fastener	3,959	0.99	3,919.41
10	USM CD4S Molly Fastener	4,370	0.74	3,233.80
11	Atak FM2230 Thumb Tack Dp	10,584	0.30	3,175.20
12	Stanley B4-107 8" Slp Jt Pll	664	4.37	2,901.68
13	USM CD4SLD Molly Fastener	2,626	1.10	2,888.60
14	USM S-44 Rivets Steel Md	2,250	0.83	2,632.50
15	USM CD4XS Molly Fastner	3,020	0.83	2,506.60

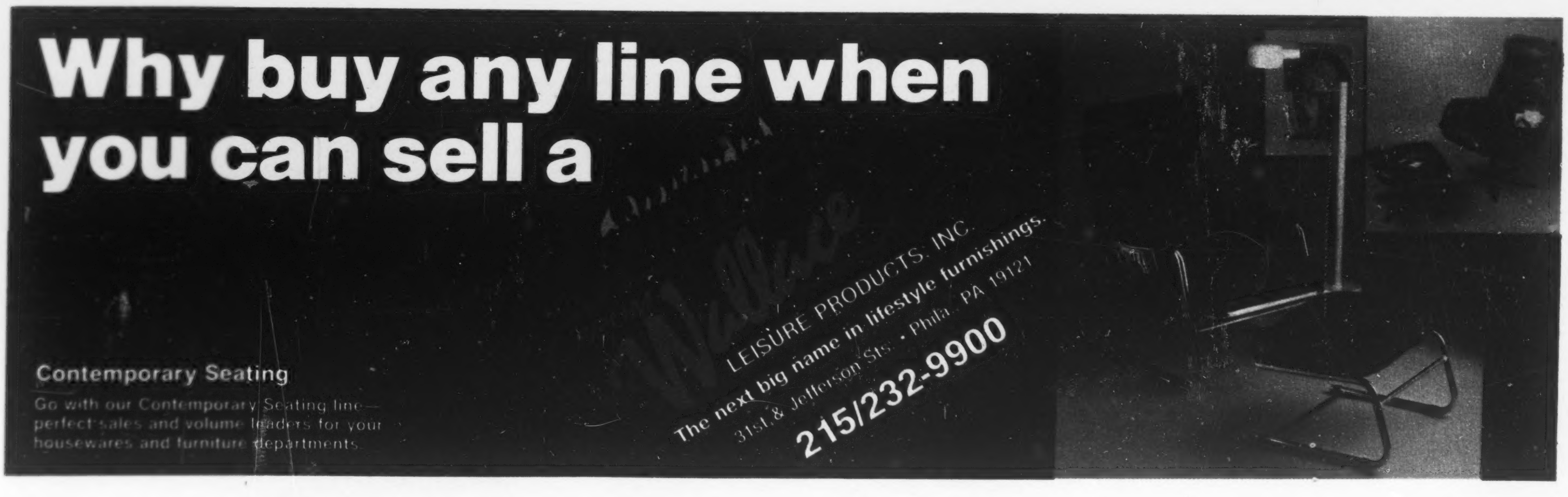
PAINT TOOLS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Hyde 04850 6" Wall Scraper	7,184	2.77	19,899.68
2	Hyde 13050 Razor Scraper & Blades	15,065	1.26	18,981.90
3	Hyde 13110 Replacement Blades	12,352	1.23	15,192.96
4	Hyde 04700 4.5 Wall Scraper	6,388	2.26	14,436.88
5	Hyde 04100 1.5 Putty Knife	9,094	1.46	13,277.24
6	Hyde 09100 10" Taping Knife	1,280	7.53	9.638.40
7	Hyde 10150 2.5 Woodscraper	3,126	2.96	959.52
8	Hyde 45810 Super Guide	2,629	3.27	9,122.63
9	Hyde 09410 Corner Tool	1,210	7.48	9,050.80
10	Hyde 09050 Pole Sander	574	15.65	8,983.10
11	Hyde 02750 5" Wall Scraper	1,595	5.50	8.772.50
12	Hyde 42000 Push Button Knife	2,534	3.23	8,184.82
13	Hyde 09710 10" Knife	1,020	7.96	8,119.20
14	Hyde 04350 3" Putty Knife	4,587	1.77	8,118.99
15	Warn 563 Mini Roller Set	6,535	1.21	7,907.35

HAND TOOLS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Arrow T-50 Staple Gun Tack	1,250	16.97	21,212.50
2	Stanley 11-921 Heavy Duty Blade	15,592	1.27	20,259.04
3	Stanley 33-312 12' Power Rule	1,823	9.18	16,735.14
4	Stanley 33-425 25' Tape Rule	1,058	13.43	14,208.94
5	Stanley 33-212 12' Power Rule	1,745	7.27	12,686.15
6	Stanley 10-099 Retract Knife	3,573	3.44	12,291.12
7	Jurl B-103 Tool Holder	1,052	11.39	11,982.28
8	Stanley 34-500 100' L. Tape	959	11.88	11,392.92
9	Arrow JT-21 Staple Tacker	1,236	9.13	11,284.68
10	Stanley 10-299 Utility Knife	4,668	2.31	10,783.08
11	Arrow T-55 Staple Gun Tack	785	13.70	10,754.50
12	Stanley 42-248 48" Alum Level	829	12.68	10,511.72
13	Stanley 33-208 8' Power Rule	1,884	5.58	10,512.72
14	Jurl N-453 Nail Bag	1,024	10.19	10,343.56
15	Stanley 33-116 16' Power Rule	916	11.39	10,433.24

(Continued on page 30)



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HARDWARE

11th Annual PMA

ABRASIVES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3MCO 9002 Sandpaper Med	25,898	1.67	43,249.86
2	3MCO 9003 Sandpaper Corse	23,627	1.67	39,457.09
3	3MCO 9005 Sandpaper Asst	20,923	1.67	34,941.41
4	3MCO 9001 Sandpaper Fine	18,890	1.67	31,546.30
5	3MCO 9000 Sandpaper X-Fine	13,610	1.67	22,728.70
6	3MCO 8651 Dust Masks 5-pk	9,753	2.19	21,359.07
7	Amer 105000 Steel Wool 4/0	6,162	2.65	16,329.30
8	3MCO 9088 Wet or Dry Asst	4,427	2.45	10,846.15
9	3MCO 9075 Flint Asst	6,593	1.62	10,680.66
10	3MCO 9019 Prod Assorted	8,494	1.25	10,617.50
11	3MCO 9028 Sandpaper Asst	12,359	0.80	9,887.20
12	Amer 105005 Steel Wool 2	4,788	1.86	8,905.68
13	Amer 101129 Steel Wool Asst	8,003	1.07	8,563.21
14	3MCO 9064 Emery Asst	2,687	3.19	8,571.53
15	Amer 105004 Steel Wool 1	4,126	1.89	7,798.14

LIGHTING

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Powr AP 15x12 Und Cab Lit	4,625	8.97	41,486.25
2	Jema 75 20 Glass/8 Lite	346	84.38	29,195.48
3	Jema 80 12 Glass/6 Lite	250	66.63	16,657.50
4	Powr GL240 Grid Lite 2 Lite	717	21.96	15,745.32
5	Dval 9800PB Wall Fixture	1,434	10.92	15,659.28
6	Powr C54B Circline 2 Lite	377	35.64	13,436.28
7	Powr ST120 24IN Strip	1,326	10.07	13,352.82
8	Dval 9708WH Ceiling Fixture	2,014	6.42	12,929.88
9	Wdlf CF69 24" Wagon Wheel	190	67.07	12,743.30
10	Dval 9708PC Ceiling Fixture	1,314	9.21	12,101.94
11	Jema 73 6 Glass/3 Lite	353	32.81	11,581.93
12	Dval 9501WH Ceiling Fixture	777	14.45	11,227.65
13	Wolf CF115X 18" Wagon Wheel	198	55.26	10,941.48
14	Wolf CF112 15" Wagon Wheel	302	36.21	10,935.42
15	Dval 1723BLK Wall Caddy	732	14.87	10,884.84

BATTERIES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Eveready E91BP-4 AA Alkaline	201,969	2.99	603,887.31
2	Eveready E95BP-2 D Alkaline	241,050	2.23	537,541.50
3	Eveready E93BP-2 C Alkaline	221,613	2.23	494,196.99
4	Duracell MN1500B4 AA 4-pk	159,790	2.99	477,772.10
5	Duracell MN1300B2 D 2-pk	196,520	2.24	440,204.80
6	Duracell MN1400B2 C 2-pk	175,087	2.24	392,194.88
7	Eveready E91BP2 AA Alkaline	194,976	1.68	327,559.68
8	Duracell MN1604B 9 Volt	114,664	2.24	256,847.36
9	Eveready 522BP 9 Volt Alkaline	114,767	2.23	255,930.41
10	Duracell MN1500B2 AA 2-pk	142,943	1.68	240,144.24
11	Eveready 522BP2 9 Volt 2 pk	48,447	3.80	184,098.60
12	Duracell MN1604B2 9 Volt 2-pk	41,905	3.84	160,915.20
13	Eveready 1215BP-4 AA H D	104,014	1.54	160,181.56
14	Eveready 950-4 D General	90,845	1.30	118,098.50
15	Eveready E92BP2 AAA	66,996	1.68	112,553.28

SEALANTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Kraz 240CD Krazy Glue	38,004	1.02	38,764.08
2	Duro Supl Super Glue	36,244	1.02	36,968.88
3	Bord E701 Wood Glue, 8 oz	16,253	1.81	29,417.93
4	Devc 5210 5 Minute Epoxy	13,126	1.90	24,939.40
5	Devc S208 5 Minute Epoxy	13,303	1.80	23,945.40
6	Devc S180 Contact Cement	13,410	1.64	21,992.40
7	GE 012 Caulk Clear	4,031	5.20	20,961.20
8	Devc S160 Gripwood	13,252	1.49	19,745.48
9	Devc S25 High Heat Repair	13,144	1.49	19,584.56
10	Bord E702 Wood Glue, 16 oz	6,119	3.09	18,907.71
11	Devc S10 Rubber Adhesive	13,326	1.31	17,457.06
12	Bord E379 Elmers Glue, 8 oz	10,949	1.36	14,890.64
13	Devc 6246P Duco Cement, 10 oz	13,224	1.12	14,810.88
14	Duro CC9 Contact Cement	13,050	1.44	13,279.68
15	Duro TT1 Tub N Tile Sealer	9,222	1.44	13,279.68

Source: Schreiber Co., Lititz, Pa., for calendar 1984, covering discount stores in the Northeast, Southeast, mid-Atlantic and North Central regions. Average retail prices reflect typical price points for most discount chains.

Promos Due

(Continued from page 27)

USM Glue Gun, which was heavily promoted by many of our customers. It moved from five on our list last year to one. We sold twice as many units in '84 as in '83.

In other areas, one of the changes we're seeing is in packaging of plumbing items, with the makers taking a better aim at the mass merchants' customers with more useful instructions and packages that are easier to display and sell in a self-service environment.

The items that will move aren't changing; it's a replacement market with discounters not looking to appeal to people taking on real plumbing jobs themselves.

Our top item last year remained unchanged from the year before: the Melard 1501 basket strainer with an average retail of $1.55.

One hot area at the end of the year was electrical. It always does well around the holiday season, getting a lot of fourth-quarter promotion. Multioutlets were especially good this past year, however. The Epak Moc-6C nearly doubled in movement from the year before to almost 2,000 units and over $33,000 at retail. The 4C picked up about a third in both units and dollars and jumped from seven on the 1983 list to the No. 3 spot for last year.

Other basic items, such as paint tools, will continue to take advantage of improvements in packaging and growth in DIY. Otherwise, we see little change for '85 over '84 once the economy opens up and more discounters are able to finish working off bloated inventory.

Sears' Four-Week Sales Rise 2.4%

CHICAGO — Sears' merchandising sales in the United States for the four weeks ended March 2, 1985, were 2.4% higher than last year.

Gross sales for the period were $1,445,783,627, an increase of $33,999,685 over sales for the comparable period in 1984.

Company chairman and ceo, Edward Telling attributed sales growth in part to a new surge in home appliances.

'Mass' Store Biz Dips at Federated

CINCINNATI — Federated Department Stores reported a 1.1% sales decrease for its mass merchandising stores for the four weeks ended March 2, 1985—from $53,400,000 last year to $52,900,000.

For the company as a whole, sales were up 8.8%, from $586,100,000 in February 1984 to $637,500,000 for the four weeks this year.

Jamesway's Sales Rose 17% in Feb.

SECAUCUS, N.J. — Jamesway reported sales of $25,569,000 for the four weeks ended March 2, 1985, up 17% from sales of $21,840,000 for the comparable period in 1984.

The company currently operates 85 stores. During February 1984, there were 78 stores in operation.

AMERICA'S 6

, ,
KNOCKING ENGINES ARE A BUILT-IN MARKET FOR NEW REGANE.™

ADD TO GASOLINE
EASY TO USE
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Gumout® introduces the technological breakthrough that treats the cause, not just the knock.

Now engine knock—a problem in 40% of American cars—can be eliminated for an average distance of 2700 miles, with new Regane Combustion Chamber Cleaner.

Added to the gas tank, Regane actually reduces the need for high octane fuel, by removing knock-causing deposits from the combustion chamber and piston crowns. The results are so long-lasting that Regane is an economical alternative to premium unleaded gasoline.

In fact, in extensive market pre-testing by Gumout, 60% of respondents said they were ready to try this money-saving breakthrough product. The demand is growing and you can be there with the answer: Regane.

Healthy co-op advertising dollars are available from Gumout.

GUMOUT

A Quality Product of the Pennzoil Company.

11th Annual PMA

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Sealed Beam, large square, 6052	102,183	7.99	816,442
2	Sealed Beam, large round, 6014	221,271	3.29	727,981
3	Armor All Protector, 8 oz, 10080	239,707	2.99	716,723
4	Fila Motorcraft Oil Filter	152,508	4.19	639,008
5	Raindance Paste, 14 oz	88,723	7.19	637,918
6	Oil Treatment 15 oz	275,973	2.29	631,978
7	Gumout Jet Spray, 13 oz	255,234	2.39	610.009
8	Armor All Protector, 16 oz	97,777	6.19	605,239
9	Sealed Beam, low square, 4652	114,148	4.99	569,598
10	Snowite Lit 'N' Easy, gal	33,653	13.99	470,805
11	Mint Hydraulic Floor Jack, 2 ton	10,215	44.99	459,572
12	Air Compressor w/gauge, 165 PSI	18,524	22.99	425,866
13	Turtle Wax Super Hard Shell Paste, 14 oz	106,133	3.99	423,470
14	Hydraulic Floor Jack, 2 ton	7,739	54.29	420,150
15	Raindance Liquid (apl pk) 16 oz	58,320	7.19	419,320
16	Auto Bulbs, 2 on a card, 1157	382,985	1.09	417,453
17	Freon, 14 oz, 1001	311,325	1.29	401,493
18	Quartz Halogen Fog Light Kit, amber	12,873	29.99	386,061
19	Halogen Sealed Beam, lrg, sq, H6054	17,861	19.99	357,041
20	Snap Fix-A-Flat, 12 oz	235,767	1.39	327,716
21	Gumout Carborator Cleaner, 12 oz, 7518	164,554	1.89	311,007
22	Armor All Protector, 32 oz, 10320	33,780	8.99	303,682
23	Roberk 16" Wiper Blade Refill	137,301	2.19	300,689
24	Westl Bleche-Wite-Liquid, 20 oz	136,676	2.19	299,320
25	Booster Cable Sleeved, 12'	36,385	8.19	297,993
26	One Piece Auto Ramp, pair	13,213	21.99	290,553
27	Gunk Engine-Brite aerosol, 20 oz	126,383	2.19	276,778
28	Turtle Minute Wax, 18 oz	44,930	5.99	269,130
29	Turtle Zip Liquid Car Wash, 18 oz	110,474	2.39	264,032
30	WD-40 Aerosol, 9 oz	92,908	2.59	240,631
31	Rislone Oil Alloy, 32 oz, 100QR	84,642	2.79	236,151
32	Roberk 18" Wiper Blade Refill	107,496	2.19	235,416
33	AC Spark Plugs, R45TS-8BP	19,440	12.09	235,029
34	Chamois 2½ sq ft	38,695	5.99	231,783
35	Sealed Beam, low round, 4000	82,830	2.79	231,095
36	Prestone Heavy Duty Brake Fluid, 12 oz	115,419	1.99	229,683
37	Lee Oil Filter	62,383	3.49	217,716
38	Roberk 16" Wiper Blades	98,407	2.19	215,511
39	Armor All Protector, 4 oz	127,144	1.69	214,873
40	Jack Stand, 3000 lb	37,858	5.49	207,840
41	AC Oil Filters, PF-25	51,867	3.99	206,949
42	CD-2 Oil Detergent Black Label	84,926	2.39	202,973
43	A/C Recharge Kit/Freon, 885DOM	28,227	6.89	194,484
44	Warco Dot Brake FLuid, qt	47,344	3.89	184,168
45	Champ Plug (RBL15Y4)	15,220	12.09	184,009
46	Gas Can, 2 gal, Flex Spout	30,395	5.99	182,066
47	Prestone Super FLush, 22 oz	54,986	3.29	180,903
48	Plastic Bottle Gas-Ln Anti-Freeze	303,687	0.59	179,175
49	Wire Wheel Cover, 15", each	9,377	18.99	178.069
50	Pylon 16" Wiper Refills, 1016	80,824	2.19	177,004
51	Sandable Primer, gray	88,865	1.99	176,841
52	Aerosol Undercoating, 16 oz	88,763	1.99	176,638
53	AC Oil Filters, PF-47	43,859	3.99	174,997
54	Warco Dot Brake Fluid, 12 oz	117,047	1.49	174,400
55	C-16 Bars Leak, 12 oz (80)	78,100	2.19	171,039
56	6-Amp Battery Charger, SE86	5,675	29.99	170,193
57	Gallon Gas Can, Pull-Up Spout	56,341	2.99	168,459
58	Blue Poly Paste Sealant, 16 oz	16,708	9.99	166,912
59	Armor All Cleaner, 16 oz	72,876	2.29	166,886
60	Gas Can, 5 gal, Flex Spout	12,714	12.99	165,514
61	Gas Treatment, 8 oz	127,718	1.29	164,756
62	Quartz Halogen Driving Lt Kit, clear	5,387	29.99	161,556
63	DL Hand Cleaner Blue Label, 14 oz	125,172	1.29	161,171
64	Westl Bleche-Wite-Liquid, 32 oz	47,361	3.39	160,553
65	Lee Oil Filter, LF-25	41,265	3.89	160,520
66	Roberk 18" Wiper Blades	72,575	2.19	158,939
67	Wire Wheel Cover, 14", each	8,366	18.99	158,870
68	Foot Pump with Gauge	20,271	7.79	157,911
69	Sun Tachometer Super Tach II	3,156	49.99	157,768
70	Halogen Seal Beam, Lo Sq, H4656	14,328	10.99	157,464
71	Champ Plg, N12YCBP8	15,171	10.29	156,109
72	Johnson Wax Kit, Pre-soft Paste Wax, 12 oz	37,134	4.19	155,591
73	Pylong 18" Wiper Refills, 1018	70,727	2.19	154,892
74	AC Spark Plugs, R45TX TB8	12,276	12.09	148,416
75	Motorcraft Oil Filter, FL400	31,409	4.69	147,308
76	Yale Power Steering Fluid, 14 oz	73,121	1.99	145,510
77	Suntune Oil/Temp/Amp/Gauge	5,015	27.99	140,369
78	Blue Poly Polymer Seal Liquid, 16 oz	13,938	9.99	139,240
79	Turtle Color Back Liquid, 16 oz	27,834	4.99	138,891
80	Snowite Lite-N-EZ qt kit, 3305	27,811	4.99	138,776

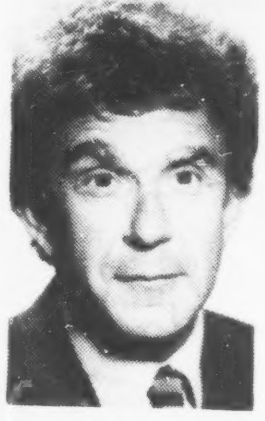
(Continued on page 38)

Hard Parts, Truck Items Gain Ground

By HERB RECHTER
President, Allied Auto Parts and Auto Accessories

Mass merchants are looking at areas they have never considered before, especially in hard parts like brake shoes and pads and application items like replacement arms for hatchbacks.

PMA PRODUCT MOVEMENT AUDIT



They're looking at assortments more carefully and establishing positions in categories like truck items. They're carrying enough sku's of passport windows, bed covers, running boards and clearance light sets to come in with ads and feature a whole truck assortment.

There's also a strong trend to dual lining, for example, putting in both a generic cap and rotor and an OEM item, too. We're finding that there's a distinct customer for the OEM product.

The driving force for the full-line discounters who are seeking to strengthen their position in any of these areas is the burgeoning of the specialty discount chains. Not everyone is equipped to get involved in this kind of competition, however, and for many the shift is now to stengthen their business in staple items like waxes and polishes, chemicals and other basic accessories.

That's where we did the bulk of our business in 1984, too, and where it will continue in 1985.

The biggest shift we see occurring among our top moving products is a dramatic increase in movement for halogen sealed beams like our No. 19 item with its $19.99 average retail. They've been around for a few

(Continued on page 38)

Venture's Feb. Biz Had 14.3% Jump

ST. LOUIS — Venture's sales in the four weeks ended March 2 jumped 14.3% to $52.2 million from $45.7 million.

Same-store volume went up 5.4%.

Sales at Venture's parent May Department Stores in the four weeks reached $288.7 million, up 13.3% from $254.8 million. Same-store volume increased 8.8%.

May president David C. Farrell said sales "were more vigorous than expected. Gains were broad-based, occurring in apparel and accessories, as well as home furnishings." He specifically noted "substantial volume . . . in cosmetics, all parts of jewelry, women's sportswear, intimate apparel, children's apparel and numerous areas of home furnishing."

All three company divisions had double-digit increases, he added. The department store arm went up 10.3% to $197.1 million from $178.6 million while the Volume Shoe operation showed a 29.1% jump to $39.4 million from $30.5 million.

Our promotion is made to order for building traffic.

The "WD-40 Springs for the Savings" promotion will have both men and women looking for WD-40. This year, we're giving them twice as many reasons: new uses and a first-time-ever accessories offer.

Customers order WD-40® accessories from your display.

We'll be offering high-demand items like T-shirts, hats, windbreakers and coolers, all with the WD-40 logo. National TV and magazine advertising will send customers to your displays to order.

Hang tags and brochures feature $4.00 savings.

Customers can save $4.00 or more on items with the purchase of WD-40. Hang tags and brochures grab attention, feature order blank and new uses for WD-40.

Profit from our displays.

WD-40 displays build traffic and increase impulse purchases. Order your side stack or stack display today.

WD-40 Co.,
San Diego,
CA 92110

AUTOMOTIVE

11th Annual PMA

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
81	CD-2 Oil Treatment Red Label	50,045	2.39	138,727
82	#7 Car Wash Powder, 8 oz	52,861	2.59	136,909
83	Super Hard Shell Liquid, 12 oz	45,619	2.99	136,400
84	Sandable Primer, red	68,468	1.99	136,251
85	Fram Oil Filter, PH8A	33,052	4.09	135,182
86	Gas Treatment, 12 oz, STP	67,838	1.99	134,997
87	Midget Grease Gun Kit	16,131	8.29	133,725
88	10-Amp Battery Charger, SE1010	3,298	39.99	131,887
89	Sim Super Blu Pre-soft Paste, 9 oz	39,801	3.29	130,945
90	Rubber Soundproof Undercoat, TMP	43,742	2.99	130,788
91	#7 Rubbing Compound, 12 oz	56,970	2.29	130,461
92	GE Silicone Seal, clear, 2.8 fl oz	39,400	3.29	129,626
93	Antenna Spring with Booster, 45"	14,168	8.99	127,370
94	Champ Plug RV15YCBP8	10,495	12.09	126,884
95	Auto Bulbs, 2 on a Card, 194	113,690	1.09	123,922
96	Plywood Mechanics Creeper	9,458	12.99	122,859
97	Hvy Duty Instant Spare w Hose, 16 oz	53,340	2.29	122,148
98	#7 White Polishing Compound, 12 oz	53,204	2.29	121,837
99	Solar Film, Smoke, 20" x 120"	13,545	8.99	121,769
100	Zerex Anti-Freeze, gal	24,337	4.99	121,441
101	Multi-Service Grease, 14 oz	87,167	1.39	121,162
102	Top Post HD Term, 8101BP, 1/CD	121,917	0.99	120,697
103	Booster Cable, heavy duty, 12' box	7,063	16.99	120,000
104	Oscillating Fan, 6", 12 V	6,660	17.99	119,813
105	Custom Wire Set, 8mm Silicone	6,657	12.57	119,759
106	R-6 Bars Leak, 5½ oz (175)	75,299	1.59	119,725
107	AC Spark Plugs, R44T-8BP	9,790	12.09	118,361
108	Prestone Hvy Duty Brake Fluid, 32 oz	23,705	4.99	118,287
109	Promo Rubber Mat, 4-pc set, blue	10,293	11.49	118,266
110	Auto Bulbs, 2 on a card, 1157NA	74,262	1.59	118,076
111	50,000 BTU Reddy Heater	512	229.95	117,734
112	Promo Rubber Mat, 4-pc set, blk	10,235	11.49	117,600
113	6 Ton Hydraulic Bottle Jack	6,353	18.49	117,466
114	AC Oil Filters, PF-35	29,409	3.99	117,341
115	Wheel Wrench, 20"	23,482	4.99	117,175
116	10/50 Amp Battery Charger, SE1250	2,121	54.99	116,633
117	Semi-Automatic 12V Pwr Antenna	3,297	34.99	115,362
118	400-195 Thermostat B/P	52,297	2.19	114,530
119	Lee Oil Filter, LF-16	32,672	3.49	114,025
120	Champ Plg, RJ12YCBP8	9,394	12.09	113,573
121	Thrush Muffler, T-4163	6,288	17.99	113,121
122	Lee Air Filters, AFL-81	20,595	5.49	113,006
123	Halogen Sealed Beam, lg, rd, H6017	5,616	19.99	112,263
124	Lee Oil Filter, LF-40	27,686	3.99	110,476
125	Lee Maxi Oil Filter, LF-1HP	23,989	4.59	110,109
126	Aerosol Undercoating, 20 oz	47,973	2.29	109,858
127	Thrush Muffler, T-5163	6,103	17.99	109,792
128	Aerosol Starting Fluid, R540	84,726	1.29	109,296
129	Thrush Muffler, T-3163	6,048	17.99	108,803
130	GE Glass Seal, Clare 2.8 fl oz	32,700	3.29	107,583
131	Bug/Tar Remover Liquid, 16 oz	48,382	2.19	105,956
132	Suntune Tachometer, 3" Face	3,272	31.99	104,671
133	Multi Service Grease, 3/Tubes, 3 oz	39,930	2.59	103,418
134	Champ Plg, RV17YC6BP8	8,483	12.09	102,559
135	Delco Tune-up Kit, 8 Cyln, 101-2	11,626	8.79	102,192
136	Foamy Engine-Brite Aerosol, 20 oz	48,655	2.09	101,688
137	Promo Rubber Mat, 4-pc set, gold	8,842	11.49	101,594
138	Sandable Primer, black (dk gray)	50,604	1.99	100,701
139	Chrome Spray paint, 16 oz	36,065	2.79	100,621
140	Lee Oil Filter, LF-24	25,844	3.89	100,533

Source: Allied Accessories and Auto Parts, Madison Heights, Mich., for calendar 1984. Allied services over 2,500 retail outlets throughout the United States, 98% of which are discount auto departments. Average retail prices reflect typical price points for discount stores.

Hard Parts

(Continued from page 34)

years but a couple of things are coming to bear on the market that will bolster this trend.

This past year, manufacturer advertising was heavy, but in addition, large numbers of people who bought the halogen beams as original equipment came onto the replacement market and they decided to continue with them.

Another thing you'll see happening in basic product areas is less different types of waxes and polishes. We're cutting down on what we're carrying and the retailers are going to have to continue to do so, too.

The back-to-basics trend in this area is still on in force as a result of consumers having been so confused a couple of years ago with the polys.

What you'll see for 1985 will be very heavy movement for items like the Turtle Wax Super Hard Shell Paste in the 14 oz. size, and the Raindance Paste, 14 oz.

In the promotional area, the strong American dollar has helped maintain very strong movement for our hydraulic floor jacks. The 2-ton item, which retails for an average $54.29, slipped from No. 2 last year to No. 14 on this list, but that's only because we added a mini-jack which outsold it by about 2,500 units.

Promising Area

One of the big changes in the business that won't show up on the chart is the strong growth for fix-it-type products. The first and strongest is the program from Motormite; it has been copied by any number of manufacturers.

Our seat cover business is continuing to change as it has for several years. We used to sell a lot of $5.99 nylon. People are continuing to move up to higher priced and better looking items and discounters are giving the merchandise more space on the shelf.

Crazy Eddie's Biz Soars in Qtr., Year

NEW YORK — Crazy Eddie, the New York-based consumer electronic retailer, had net sales of $65,300,000 for the fourth quarter ended March 4.

This represents an increase of 38.3% over the $47,200,000 posted last year in the corresponding quarter.

Net sales for the year amounted to $165,200,000 compared to $129,700,000 in the previous year, an increase of 27.4%.

Comparable-store sales for the fourth quarter rose 22% and for the year, increased 11% over 1983.

Grand Auto Agrees To Acquire AW

OAKLAND, Calif. — Grand Auto signed an agreement to acquire all shares of stock of Automotive Wholesalers, Kent, Wash., subject to adjustments based on the latter's audited financial statements.

AW will be operated as a subsidiary of Grand Auto. There are currently 22 retail automotive stores operated by AW under the name, Top Auto. Estimated annual sales, including the wholesale group are $22,000,000.

ACE THEM!

DISCOUNT STORE NEWS' CONSUMER ELECTRONICS SHOW ISSUE JUNE 10.

Consumer electronics retailing is fiercely competitive today. And discount retailers are acing the competition.

Consumer electronics sales have really climbed up the ladder in discount retailing. Today discount retailers account for 44% of total consumer electronics sales, up from 32% last year.

It's a $10.2 billion market. Up from $7.3 billion last year.

And no one's as firmly seated in this market as DISCOUNT STORE NEWS.

Our June 10 Consumer Electronics Show issue is the way to send your message to corporate officers, merchandise managers, buyers and store managers in all the major discount chains.

Including such giants as K mart, T.G.&Y., Target, Caldor and Wal-Mart. Plus the catalog showroom chains and specialty discounters.

A survey by the respected research firm of Erdos & Morgan shows DISCOUNT STORE NEWS is considered the most valuable publication received by corporate officers, merchandise managers and consumer electronics buyers.*

Ace your competition. Supplement your booth at the show with a message in this special issue.

You get bonus distribution at the show and you reach those who don't attend, too.

Reserve your space now.

ISSUE CLOSES MAY 14

*For more information on the Erdos & Morgan study, see your Discount Store News Sales Representative.

Discount Store News
THE NEWSPAPER OF DISCOUNT RETAILING

THE NEWSPAPER OF THE BIG LEAGUE CHAINS

John Failla, National Sales Manager

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Lebhar-Friedman, Inc. The Voice of Retailing.

MOUTHWASH

$ '84 Rank	$ '83 Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Listerine Antiseptic 32 oz	178,770	3.19	570,276
2	3	Scope Mouthwash 40 oz	91,764	3.72	341,362
3	2	Scope Mouthwash 24 oz	102,372	2.59	265,143
4	7	Scope Mouthwash 18 oz	33,084	2.31	76,424
5	8	Listerine Antiseptic 24 oz	24,384	3.13	76,321
6	4	Signal Mouthwash 32 oz	29,826	2.41	71,880
7	11	Listerine Antiseptic 12 oz	35,582	1.94	69,048
8	5	Listerine Antiseptic 18 oz	27,000	2.51	67,770
9	12	Scope Mouthwash 12 oz	29,280	1.80	52,704
10	9	Cepacol Mouthwash 24 oz	16,428	3.17	52,076
11	13	Act Dental Rinse 18 oz	15,849	3.06	48,497
12	14	Scope Mouthwash 6 oz	37,056	1.19	44,096
13	6	Signal Mouthwash 24 oz	18,168	2.23	40,514
14	—	Listerine Antiseptic 6 oz	28,776	1.28	36,833
15	8	Listermint Mouthwash 24 oz	11,376	3.04	34,583

SANITARY NAPKINS

$ '84 Rank	$ '83 Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Tampax Super 40's	128,304	3.54	454,196
2	3	Tampax Original Regular 40's	78,264	3.54	27,837
3	4	Stayfree Maxi Pads 30's	65,460	3.85	265,113
4	2	Stayfree Maxi Pads Super 30's	65,688	3.85	264,722
5	7	Tampax Slender Regular 40's	73,410	3.54	259,137
6	—	Always Maxi Pads 30's	60,060	3.75	225,225
7	6	Tampax Super Plus 40's	58,242	3.54	204,429
8	5	Stayfree Ddrnt Maxi Pads 30's	48,790	3.85	196,583
9	—	Always Deodorant Maxi Pads 30's	37,392	3.85	140,967
10	—	Carefree Panty Shields 26's	51,230	2.25	115,267
11	9	Sure & Natural Maxi Shields 30's	25,800	4.13	106,554
12	—	Playtex Ddrnt Tmpn Super Plus 28's	21,415	3.97	85,017
13	11	Playtex Deodorant Tampons Reg 28's	21,419	3.73	79,892
14	10	Playtex Deodorant Tampons Super 28's	20,408	3.73	76,121
15	—	Silhouette Body Shape Maxi 28's	17,232	3.99	68,755

TOOTHPASTE

$ '84 Rank	$ '83 Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Crest Reg 6.4 oz	203,468	1.61	327,583
2	3	Crest Mint 6.4 oz	184,443	1.61	300,642
3	5	Crest Gel 6.4 oz	171,715	1.61	278,178
4	1	Aqua Fresh 6.4 oz	181,626	1.61	236,113
5	14	Crest Mint 8.2 oz	61,877	2.09	129,322
6	6	Colgate Dental Cream 7 oz	78,750	1.61	118,125
7	11	Crest Gel 8.2 oz	55,325	2.09	117,842
8	9	Crest Reg 8.2 oz	55,550	2.09	113,322
9	—	Colgate Reg Twin Pack 7 oz.	49,575	2.25	111,543
10	4	Aim Toothpaste 6.4 oz	70,701	1.61	90,497
11	—	Colgate Gel Twin Pack 6.4 oz	38,282	2.25	86,517
12	12	Pepsodent 8.3 oz	74,698	1.06	79,179
13	8	Aqua Fresh 8.2 oz	39,993	2.04	67,588
14	7	Colgate Gel 6.4 oz	45,353	1.61	67,122
15	15	Gleem II 7 oz	33,263	1.90	63,199

SHAMPOO

$ '84 Rank	$ '83 Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Flex Shampoo Normal 15 oz	117,304	1.86	219,358
2	2	Flex Shampoo Extra Body 15 oz	114,024	1.86	213,224
3	3	Head & Shoulders Lotion 15 oz	51,129	3.89	198,891
4	4	Head & Shoulders Cond Lotion 15 oz	46,187	3.89	178,281
5	5	Flex Shampoo Oily 15 oz	60,740	1.86	113,583
6	—	Perma Soft Shampoo Regular 16 oz	36,445	2.95	107,512
7	9	Head & Shoulders Lotion 11 oz	29,714	3.15	93,599
8	—	Ivory Shampoo Normal 15 oz	45,303	2.04	93,324
9	—	Dimension Shmp Normal/Dry 11 oz	39,749	2.34	93,012
10	8	Flex Shampoo Dry/Damaged 15 oz	38,036	1.86	89,346
11	—	Head & Shoulders Lotion 7 oz	42,192	1.97	83,118
12	12	Head & Shoulders Cond Lotin 11 oz	26,003	3.15	81,649
13	—	Prell Shampoo Norm/Oily Liq 16 oz	26,645	3.05	81,267
14	11	Faberge Organic Shampoo 15 oz	62,082	1.22	76,360
15	—	Prell Shampoo Norm/Dry Liq 16 oz	23,359	3.05	76,777

(Continued on page 44)

New Items, Mfr. Promos Spur Gains

BY CHARLES BOWLUS
Vice President,
Boston Distributors

Health & beauty aids sales grew to $25 billion in 1984 with over $4 billion or 16% rung in discount stores.

Increases were recorded in several categories with those witnessing major new introductions growing by the largest margins. The year saw a continuation of the trend toward group or event promotions by major manufacturers with supplemental marketing funds often available for retailers willing to tie into marketing plans with print ads and in-store displays.

PMA
PRODUCT MOVEMENT AUDIT

Leading category growth at Boston for the third year in a row was ethnic hair products with a 32% gain over 1983.

Soft Sheen's Carefree Curl led the PMA by capturing 6 out of the top 15 slots, including the No. 1 and No. 2 positions. The 16-oz. size of moisturizer was Boston's No. 1 item overall, outselling Downy, Tide, Crest, Centrum, filler paper, etc., despite the fact that it is being carried by only 35% of our customers.

Soft Sheen's success has been due to the quality of the line, strong packaging and excellent marketing support.

More Winners

M & M Products scored three spots on the PMA with its Sof-N-Free Moisturizer coming from nowhere to No. 3, and the Sta Sof Fro Comb-Out landing two sizes in the top 15. As predicted, S-Curl Kit from Luster and Right-On Curl from Lustrasilk jumped onto the PMA this year for the first time.

Relaxers, which are beginning to make a comeback, were represented by Dark & Lovely (No. 5) and Gentle Treatment (No. 12).

The ethnic market remains wide open as retailers who buy right, sell key items at competitive retails, exercise intelligent shelf management programs and promote the strong items regularly are capturing the lion's share of the business.

Shelf management and promotion were also the keys to the success of the mousse segment of the hair care market. As expected this category led hair care growth, with L'Oreal's early gains overshadowed by Alberto's and Curtis's lower priced entries.

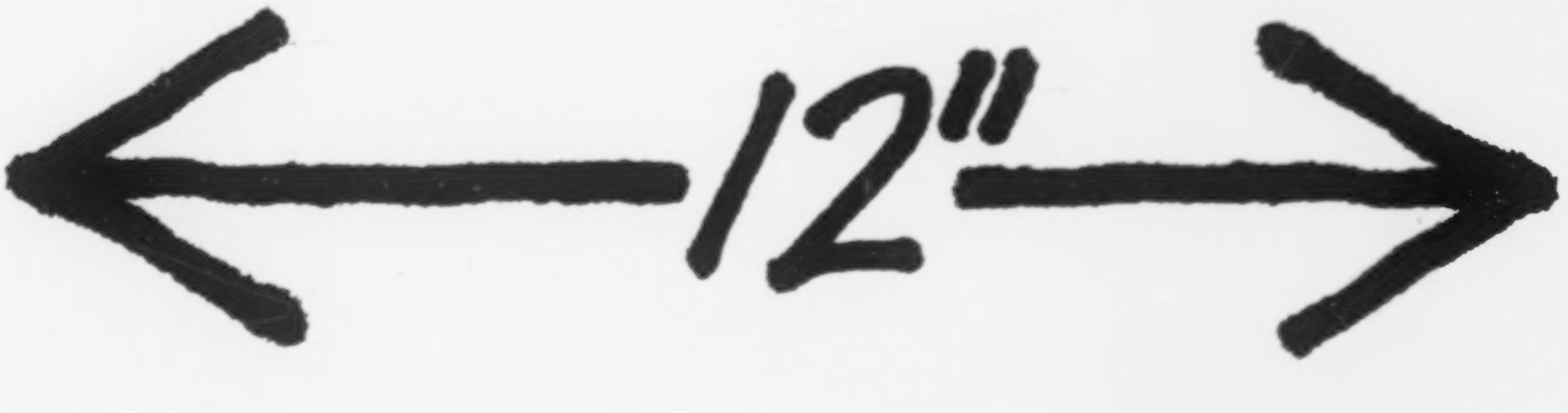
Faberge's recent release of Aqua Net at a still lower price point will do equally well, if not better, as price seems to be the primary consumer consideration in this tremendous growth area.

The shampoo and conditioner PMA welcomed two new entries in 1984 as Perma Soft from Style and Procter & Gamble's Ivory both enjoyed extremely successful launches.

Lever's Dimension scored an initial success and landed in the No. 9 spot on the shampoo PMA. Restaging and expansion of this brand is expected to give new life to its present sagging sales.

S. C. Johnson rejuvenated

(Continued on page 44)



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So, it only makes sense to add on another facing of Tinactin, America's top-selling Athlete's Foot remedy.

Tinactin gives you the high return on shelf footage you need to deliver healthy profits. In fact, compared to the next best-selling brand, Tinactin cream brings a 16% higher return for sales per point of distribution. And, there's more...

The whole Tinactin line grew by leaps and bounds in 1983. Tinactin grew an amazing 31%, in a category that grew 19%. And, Tinactin Aerosol Powder soared 46% in sales over 1982.

Adding more space for Tinactin today would be a giant step toward increased profits, tomorrow. Syndicated data on file

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HEALTH & BEAUTY AIDS

NAIL ACCESSORIES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Lee Nails 7050	5,322	5.86	31,186
2	Ultra Krazy Nails KW826	5,883	4.73	27,826
3	Krazy Nails Kit 81612	8,391	2.79	23,410
4	Lee Hi Fashion Nail Tip 7080	3,219	5.84	18,798
5	Mod Nails Regular White Pearl 3102	8,622	1.13	9,742
6	Krazy Nails Nail Glue 81836	7,759	1.24	9,621
7	Hard As Nails New Lengths 2235	2,088	3.55	7,412
8	Mod Nails Regular Frost Pink 3101	6,546	1.13	7,396
9	Sally Hansen Be-Long 2220	3,128	2.31	7,225
10	Mod Nails Slim Frost Pink 3104	5,640	1.13	6,373
11	Krazy Nails Nail Mender Kit 81724	3,198	1.76	5,628
12	Cover Girl Acrylic Nail Strengthener 5399	3,544	1.47	5,209
13	Mod Nail Tip Kit Regular 3121	1,974	2.57	5,073
14	Hazel Bishop Nail Hardner Clear 417	6,036	0.77	4,647
15	Hard As Nails Gel Cuticle Remover 2155	2,252	1.97	4,436

CREME RINSES & CONDITIONERS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Flex Balsam With Body 15 oz	80,903	1.86	150,479
2	Flex Balsam Regular 15 oz	61,274	1.86	113,357
3	Perma Soft Regular 16 oz	29,187	2.95	86,101
4	Flex Dry & Damaged 15 oz	33,319	1.86	62,306
5	Finesse Extra Body 11 oz	22,155	2.58	57,603
6	Ivory Normal 15 oz	28,007	2.04	57,134
7	Alberto Mousse Foam Xtra 6.3 oz	17,780	3.10	55,118
8	Finesse Regular 11 oz	18,444	2.58	47,585
9	Agree Regular 16 oz	17,369	2.63	45,680
10	Finesse Extra Body 15 oz	13,192	3.42	45,116
11	Suave Moist Conditioner X-Body 16 oz	31,159	1.44	44,868
12	Alberto Mousse Foam Normal 6.3 oz	14,368	3.10	44,253
13	Flex Conditioner Oily 15 oz	23,476	1.86	42,256
14	Faberge Organic Conditioner 15 oz	31,372	1.22	38,273
15	Vidal Sassoon Mousse X-Hold 6 oz	12,846	2.95	37,895

SUNTAN PRODUCTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Coppertone Lotion 8 oz	6,288	4.64	29,176
2	QT Lotion 4 oz	6,024	4.11	24,758
3	Sundown Ultra 4 oz SPF15	4,140	5.28	21,859
4	Coppertone Lotion 4 oz	6,156	3.12	19,206
5	Hawaiian Tropic Dark Tan Lotion 8 oz	4,656	4.07	18,949
6	Hawaiian Tropic Dark Tan Oil 8 oz	4,632	4.07	18,805
7	Sundown Extra 4 oz SPF6	3,852	4.62	17,796
8	Sundown Maximal 4 oz SPF8	3,456	5.08	17,556
9	Coppertone Oil 4 oz	5,604	3.12	17,484
10	Solarcaine Aerosol 3 oz	4,807	3.26	15,670
11	Coppertone Shade 4 oz	3,972	3.71	14,736
12	Coppertone Oil 8 oz	3,048	4.63	14,098
13	Coppertone Super Shade	2,784	4.91	13,680
14	Ban deSoleil Deluxe Oil #954	2,388	4.83	11,541
15	Sea & Ski Aloe Vera 4 oz	2,514	3.21	8,069

DEODORANTS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Right Guard Deodorant 10 oz	67,136	3.26	218,863
2	Sure Deodorant Regular 6 oz	50,594	3.11	157,347
3	Secret Solid AP Regular 2 oz	56,088	2.35	131,806
4	Ban Roll On Deodorant Regular 1.5 oz	69,830	1.78	124,297
5	Ban Roll On Deodorant Regular 2.5 oz	38,557	2.82	108,730
6	Secret Roll On Regular 2.25 oz	39,441	2.71	106,885
7	Mennen Speed Stick Regular 2.5 oz	48,190	2.04	98,307
8	Sure Solid Regular 3 oz	28,190	3.28	92,463
9	Sure Deodorant Unscented 6 oz	29,419	3.11	91,493
10	Old Spice Regular Stick Ddrnt 2.5 oz	49,336	1.65	81,404
11	Sure Deodorant 4 oz	35,860	2.25	80,685
12	Secret Roll On Regular 1.25 oz	42,101	1.87	78,728
13	Sure Solid AP Regular 2 oz	33,034	2,38	78,620
14	Sure Roll On Deodorant 2.25 oz.	28,747	2.72	78,191
15	Dry Idea Roll On Deodorant 2.5 oz	25,374	3.05	77,390

Source: Boston Distributors, Maple Heights, Ohio, for calendar 1984. Boston supplies over 750 stores, including about 400 discount stores, in 18 states. Average retail prices listed by the distributor reflect typical price points for discount stores.

New Items

(Continued from page 42)

its Agree brand by pumping millions into radio advertising and deal allowances to make it affordable to the young teens who helped Agree back into the PMA after a three-year absence.

Flex continued to lead both PMA's with stronger than ever promotional programs.

Head & Shoulders remained the top shampoo brand overall as Procter is devoting more dollars to its promotional support. Nineteen eighty-five will see additional major introductions with P & G's Lilt, a sure PMA finalist due to its strong marketing and advertising plan.

The hair spray category failed to demonstrate growth in 1984 as several brand introductions failed to spur increases or even shake up the PMA.

Mink Difference, Sassoon, Finesse and Jhirmack did not make an impact on the category at Boston as the old standbys continued to dominate the list.

The biggest surprise in this year's audit is the deodorant PMA as aerosol, the declining segment of the category, captured the first two positions (Right Guard, 10-oz., No. 1 and Sure, 6-oz., No. 2).

The reason for the jump was not so much the aerosol brands' strength as it was the further fragmentation of the solid segment. Secret Solid, 2-oz., last year's top sku, slipped to No. 3 due to the addition of its 3-oz. size.

More Winners

Actifed proved to be the big success story in the cough and cold category by jumping up to the No. 3 spot, outsold only by Nyquil, 6-oz. and 10-oz. Actifed, 1983's No. 1 prescribed cold remedy, outscored Contac, Drixoral and its sister brand at Burrough's Wellcome, Sudafed, in its first full year as an over-the-counter (OTC) product.

Analgesics were again led by Tylenol Extra Strength in the 60-count bottle.

Whitehall's Advil and Bristol-Myer's Nuprin enjoyed successful launches in 1984 with Advil outscoring the Bristol entry in the ibuprofen segment of the category.

Procter fared much better in the sanitary protection category as its Always brand captured the No. 6 and No. 9 positions on this PMA.

Tampax and Stayfree continued to score all put-ups of their large sizes on the top 15 listing. Tambrand's efforts in the external protection segment are not proving fruitful, however, as its Maxi-Thin line fell off sharply.

Who can complain about toothpaste?

The competition in this category has intensified to the degree that even the lowest priced retailers can make a profit in the category as promotional allowances have gotten better and better.

In 1983 the battle became hotter than ever before as gels came out, supported by marketing plans in excess of $100 million from both Colgate and P & G.

Now, 1985 is the year of the pump as Check Up and Colgate will be joined by Crest, Aim and Aqua Fresh.

Superior design of today's pumps and the tremendous outlay of TV dollars should make this form the preferred dispenser of toothpaste by 1987.

Retailers: There's a big something extra in our number-one promotion for summer

Your customers get free gasoline from us when they buy SHELL FIRE & ICE® from you

Schedule this promotion for any 30 days from May 1 to August 31. Then go for it. This terrific new promotion has lots of appeal.

Yes, free gasoline *or* free motor oil, whichever your customer chooses. Watch customers come running in when they hear about our newest offer: *free gasoline*. We also make a strong optional offer (for people who live in areas where Shell gasoline is not available): free motor oil. The customer makes his choice of offers when he sends us the P.O.S. certificate.

And all *you* have to choose is whether you want to go with the $2 or the $4 offer—which will your customers like best?

$2 worth of Shell gasoline or Shell Motor Oil *free* with purchase of 5 quarts of Shell Motor Oil

or

$4 worth of Shell gasoline or Shell Motor Oil *free* with purchase of 12 quarts of Shell Motor Oil

Where do your customers get their free gasoline? At any participating Shell stations when they redeem their gasoline coupons.

Here's what we offer you to make this a hot summer promotion:
- $1/case allowance on products you purchase and advertise
- $2/case allowance on all products bought during the promotion
- An additional $1/case Grand Opening allowance
- Plus ad slicks, radio copy, shelf talkers, rebate coupons

Call your Shell Representative now to order:
New York: Jimmy Jones, (201) 325-5497
Chicago: Tom Walsh, (312) 887-5775
Detroit: Larry Polich, (313) 855-9000
Los Angeles: Nancy Curry, (714) 991-9200

Shell

Shell
FIRE & ICE

11th Annual PMA

'85 to Ride On Hot '84 Coattails

By JEFFREY C. KASCH
President,
M. W. Kasch Company

This year will be terrific for toys but it's hard to measure its success against last year.

Stimulated by strong line extensions and the maturing of reigning superstar licenses—Cabbage Patch, Masters of the Universe, Transformers and GoBots—total toy volume should eclipse 1984's record sales level.

But, despite an optimistic sales outlook, there will be a void in the market this year and that is—a discernible lack of exciting new product categories.

I think the industry, as a whole, will be riding on last year's innovative coattails. Last year was incredible. We saw the emergence of Transformers and GoBots. The trivia segment, although introduced a year earlier, exploded in '84. These toys created entirely new toy categories—robotics and trivia. Plus, it was all gravy.

I didn't see any new product introductions at Toy Fair that will make a similar impact on the market for this coming year. In addition to a general new product dearth, I think chain buyers will be a little more conservative in their commitments to manufacturers this year, especially for next December.

Although we had a terrific 11 months last year, December was disappointing and many retailers came out of Christmas with very heavy inventories. In fact, several of our accounts are first exercising their open-to-buys right now.

For 1985, we should see pretty much of a repeat performance by the same heavy hitters.

I know people have been saying Cabbage Patch will finally slow down this year and fall on its face but I'm not ready to put it to bed just yet. I think demand might slacken a bit so maybe we'll see them on shelves for at least 24 hours this year.

Despite the high price points for Coleco's Cabbage Patch Twins' introduction, I'm sure it will sell well. The supply will be limited and I think Cabbage Patch has already proved the fallacy of the consumer price resistance theory.

The same scenario appears to hold for Selchow & Righter's Trivial Pursuit. First, people thought its high price points would be a deterrent, but that proved to be a joke. I think they sold over 20 million units last year; it was our No. 1 item.

Although it will slow down a degree this year, I think a lot of retailers are writing it off too soon. Chains are expecting 20% of last year's performance but it's been running about 50% at this time. Selchow & Righter has also introduced Genus II and a young player's edition.

In action figures, Masters of the Universe has matured nicely and it will again be among the toy leaders in 1985. Mattel has also introduced She-Ra, the princess of power, aimed exclusively at the girls' market. I think we'll finally find out if girls really go for this type of product. There's never been a really good action figure for girls before.

As for other new toy debuts, I think Voltran by Matchbox and LJN will surprise a lot of people. In addition to She-Ra, Golden Girl by Galoob will also make a strong play for the girls' action segment.

Many retailers are pegging Wuzzles by Hasbro Bradley and Hugga Bunch by Kenner as potential hits but I think a number of questions will have to be answered first. In the case of Hugga Bunch, Kenner's track record makes any type of delivery questionable.

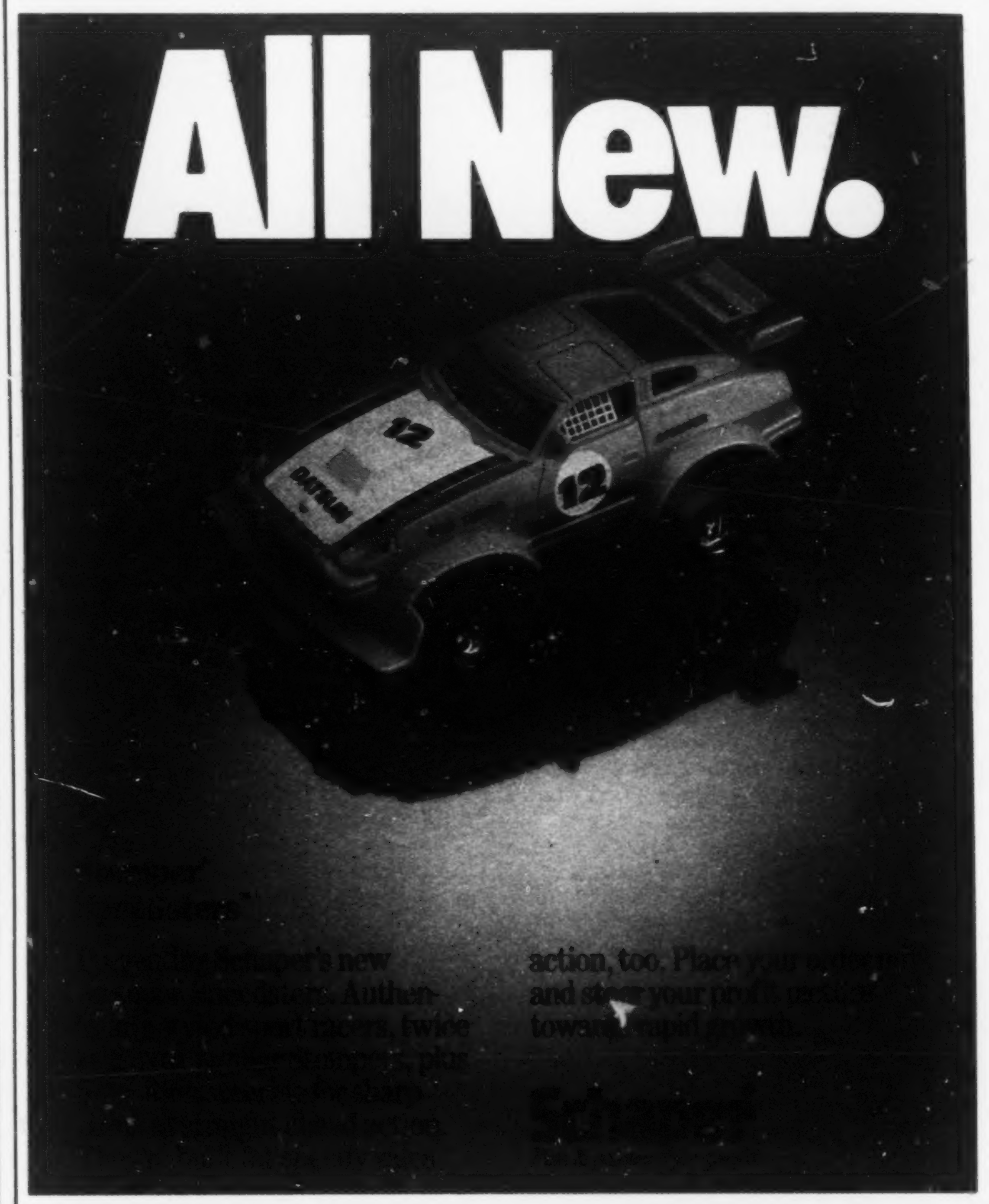
Other problems including delivery, in general, and a possible oversaturation of licensed goods will always be prevalent but I think the industry is learning to deal with them.

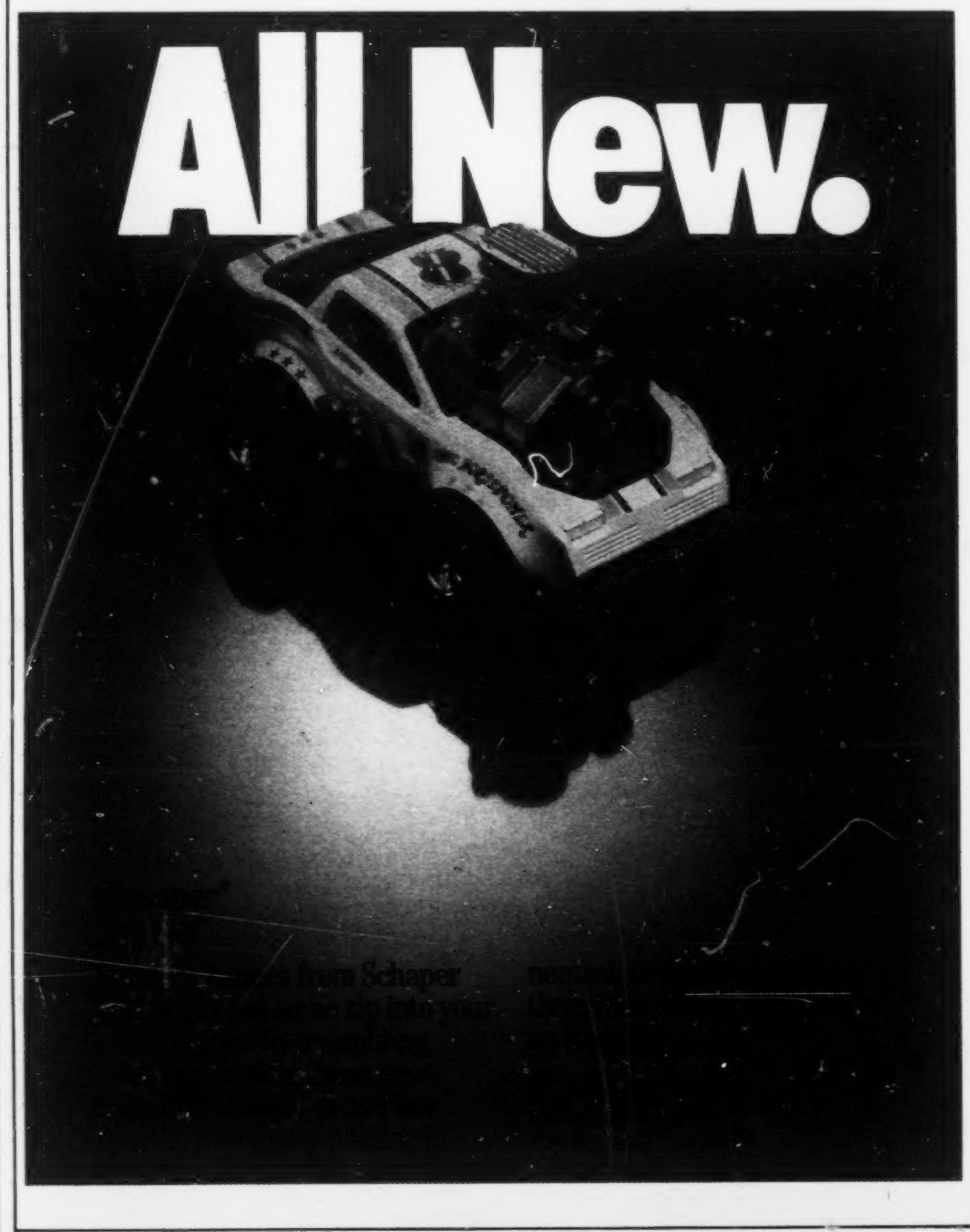
There will always be someone—be it retailers, wholesalers, manufacturers or consumers—that will not be happy with delivery.

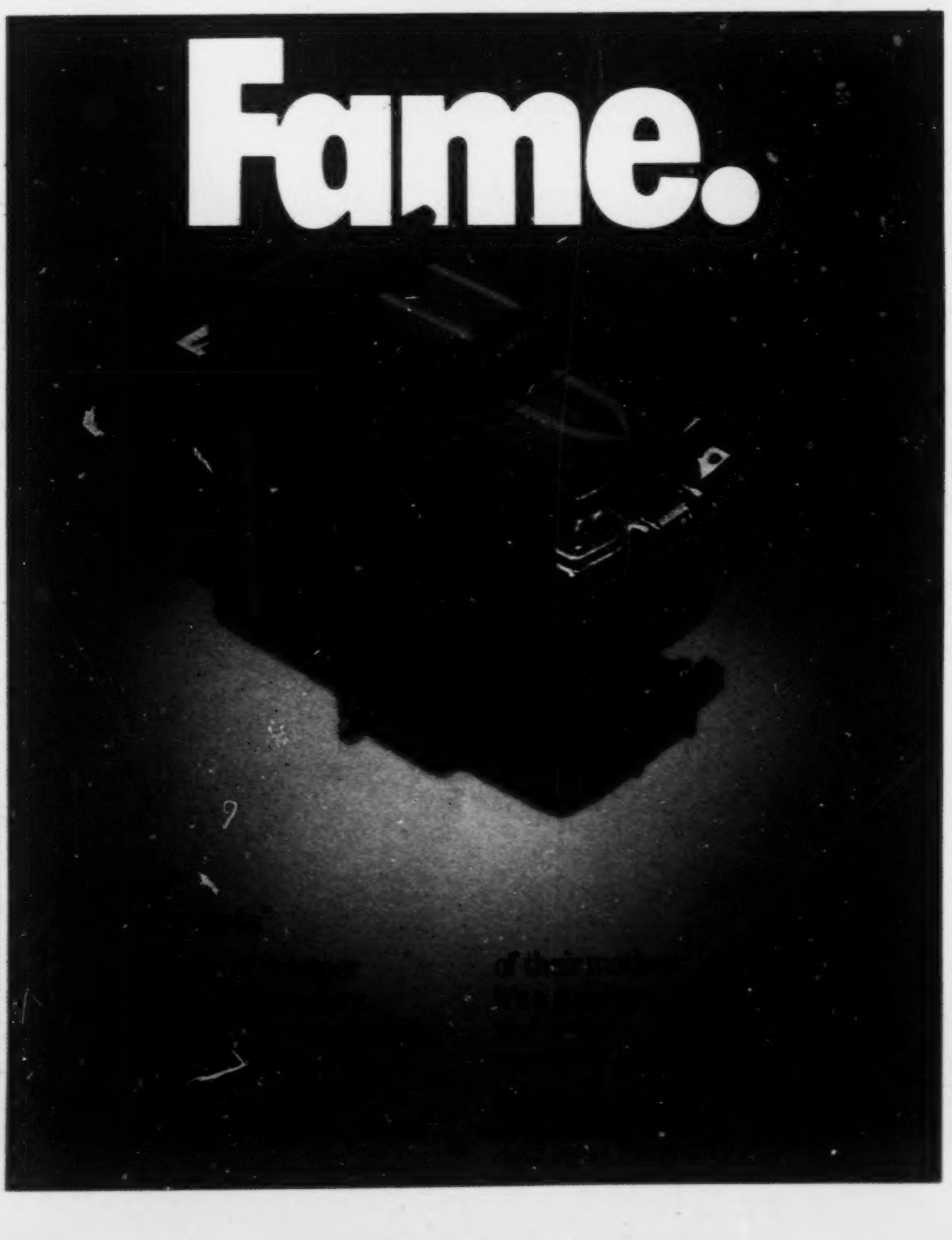
As for over-licensing, we've all discovered that despite the endless hype, the consumer will ultimately create the hot license. A license does not make a bad toy good.

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	TOYS			
1	Selchow & Righter Trivial Pursuit Genus Edtn	360,000	24.99	8,996,400
2	Selchow & Righter Trivial Pursuit Baby Bmr	240,000	19.99	4,797,600
3	Blue Box Flower Kids Doll	200,000	12.99	2,598,000
4	Hasbro G.I. Joe Figure Asst	300,000	3.49	1,047,000
5	Mattel Masters of the Universe Asst. 1	200,000	4.99	998,000
6	Coleco Cabbage Patch Kids 16"	32,000	29.99	959,680
7	Selchow & Righter Trvl Prst All Star Sprts	48,000	19.99	959,520
8	Hasbro My Little Pony Asst	180,000	4.99	898,200
9	Kenner Return of the Jedi Star Wars Figs	225,000	3.99	897,750
10	Select M Mini Bot Convertors	240,000	3.49	837,600
11	Selchow & Righter Silver Screen	38,000	19.99	759,620
12	Blue Box Newborn Flower Kids	72,000	9.99	719,280
13	Coleco Cabbage Patch Outfits Asst	65,000	10.99	714,350
14	Village Toy Ice Cream Doll 26"	30,000	19.99	599,700
15	Aviva Cabbage Patch Bank	75,000	6.99	524,250
16	Spindex Cabbage Patch Poseable Figs	90,000	5.49	494,100
17	Mattel Masters Snake Mountain	12,000	39.99	479,880
18	Coleco Cabbage Patch Preemie	15,000	29.99	449,850
19	Mattel Castle Gray Skull	15,000	29.99	449,850
20	Hasbro Transformers Autobot	50,000	8.99	449,500
21	Kenner Super Pwrs Actn Figures	100,000	4.49	449,000
22	Kenner Care Bears Plush 13"	24,000	17.99	431,760
23	Hasbro Gloworm	36,000	11.99	431,640
24	Mattel Rainbow Brite Doll 18"	17,000	24.99	424,830
25	Ideal Roboforce Figures	70,000	5.99	419,300
26	Kenner Care Bears Poseable	92,000	4.49	413,080
27	Eagle Rubber Glo Ball 9 in	300,000	1.29	387,000
28	Kenner Miniature Care Bears	125,000	2.99	373,750
29	Cricket Deluxe Message Bear 15"	32,000	10.99	351,680
30	Aviva My Little Pony	35,000	9.99	349,650
31	Galoob A-Team Figure Asst	65,000	4.99	324,350
32	Mattel Masters Dragon Walker	18,000	17.99	323,820
33	Select M Maladroid Enemy	72,000	4.49	323,280
34	Mattel Crystal Barbie	24,000	12.99	311,760
35	LJN Toys Cabbage Patch Hsptl Playset	12,000	24.99	299,880
36	Fisher-Price Play Family Zoo	12,000	24.99	299,880
37	Aviva Gizmo	20,000	14.99	299,800
38	Tomy Corp Get-Along-Gang Plush	17,000	16.99	288,830
39	Mattel Rainbow Brite Doll 9"	26,000	10.99	285,740
40	Ideal Kitt & Kaboodle Doll	9,000	29.99	269,910
41	Select M Defenders Good Guys	60,000	4.49	269,400
42	Coleco Preemies Outfits	24,000	10.99	263,760
43	Tomy Corp Starriors Protectors	52,000	4.99	259,480
44	Tomy Corp Starriors Destructors	52,000	4.99	259,480
45	Coleco Cabbage Patch Dress	18,000	13.99	251,820
46	Soma Fantasy Figure 6"	63,000	3.99	251,370
47	Cadaco Bible Trivia Game	12,500	19.99	249,875
48	Schaper Stomper Water Demons	27,000	8.99	242,730
49	Fisher-Price Camera	8,000	29.99	239,920
50	Trivia Inc TV Guide Trivia Game	12,000	19.99	239,880
51	Parker People Magazine Trivia Game	12,000	19.99	239,880
52	Ideal Dressable Chipmunks	20,000	11.99	239,800
53	Lanard B/O King Kong 4x4x6	18,000	12.99	233,820
54	Child Guidance Electronic Talk/Play	4,100	54.99	225,459
55	Fisher-Price Tape Recorder	5,000	44.99	224,950
56	Blue Box Flower Kids 27"	9,000	24.99	224,910
57	Ideal High Riser 6x6	20,000	10.99	219,800
58	Fisher-Price Sky Talker	7,500	27.99	209,925
59	Tomy Corp Dream Dancer Doll	14,000	14.99	209,860
60	LJN Toys Michael Jackson Doll	21,000	9.99	209,790
61	Galoob Blackstar Figures	42,000	4.99	209,580
62	Ideal Solid Gold Music Trivia	11,000	18.99	208,890
63	Hasbro Globug	16,000	12.99	207,840
64	Totsy Garden Patch Clothes	58,000	3.49	202,420
65	Bontempi B/O Reed Organ	10,000	19.99	199,999
66	Koki Inc. Wet Banana Water Slide	10,000	19.99	199,900
67	Tomy Corp Tutor Play Computer	11,000	17.99	197,890
68	Ohio Art Dr J Lil Sport	11,000	17.99	197,890
69	Mattel Great Shape Barbie	23,000	8.49	195,270
70	Takara Robot Time Machine	13,000	14.99	194,870
71	Mattel Rainbow Brite Boy Sprites Asst	13,000	14.99	194,870
72	Playskool Big Foot	12,000	15.99	191,880
73	Kenner Care Bears Plush 6"	16,000	11.99	191,840
74	Hasbro My Little Pony—Pony Wear	63,000	2.99	188,370
75	Schaper Stomper II Authentic 4x4	23,000	7.99	183,770
76	Hasbro My Little Pony Pretty Parlor	12,000	14.99	179,880
77	Hasbro My Little Pony Rainbow Asst	30,000	5.99	179,700
78	Kenner Knight Rider Voice Car	5,000	34.99	174,950
79	Hasbro G.I. Joe Zartan Swamp Skier	25,000	6.99	174,750
80	Ideal Scrub-A-Dub Doggie	13,000	12.99	168,870
81	Ideal Manglors 'N' Eggs	26,000	6.49	168,740
82	Mattel Rainbow Brite Asst	14,000	11.99	167,860
83	Hasbro Transformers Mini Autobots	48,000	3.49	167,520
84	Totsy Garden Patch Knits	37,000	4.49	166,130
85	Hasbro Transformers Deceptn Communictr	9,000	17.99	161,910
86	Mattel Rainbow Brite Starlt Horse	9,000	17.99	161,910
87	Hasbro Mickey Mouse Phone	8,000	19.99	159,920
88	Mattel Masters Attack Track	10,000	15.99	159,900
89	LJN Toys Water Divers Rough Riders	20,000	7.99	159,800
90	Kenner Play-Doh 4-Pack	63,000	2.49	156,870
91	Parker Monopoly	13,000	11.99	155,870
92	Ohio Art Etch-A-Sketch	14,000	10.99	153,860
93	Select M Spies Convertors	44,000	3.49	153,560
94	Mattel Masters Road Ripper	17,000	8.99	152,830
95	Tomy Corp Get-Along-Gang Dress-Up Kids	17,000	8.99	152,830
96	Fisher-Price Rocking Puppy	8,000	18.99	151,920
97	Coleco Cabbage Patch Koosas	5,000	29.99	149,950
98	Hasbro Transformers Deceptn Robot Gun	6,000	24.99	149,940
99	Selchow & Righter Scrabble	15,000	9.99	149,850
100	Kenner Rose Petal Doll Asst 7"	15,000	9.99	149,850

Source: M. W. Kasch Company, Mequon, Wis., for calendar 1984, covering 1,700 stores in 12 Midwestern states. Average retail prices reflect typical price points for discount chains.







SPORTING GOODS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	ATHLETIC			
1	Insulated Camo Sweatshirt 1010	4,800	19.99	95,952
2	Tonka Toaster SSL55	10,000	6.99	69,900
3	Shooters Muffs RBW71	7,200	8.99	64,728
4	Boat/Stadium Seat 101	4,800	11.99	57,522
5	Camo T-Shirt w/Pocket 12	9,600	5.99	57,504
6	Camo Hunting Vest 31670	6,200	8.99	55,738
7	Hunters Hot Seat 89F	11,000	4.99	54,890
8	Swivel Hunting Seat 5100	2,400	21.99	52,776
9	Deluxe Fishing Chair WD400	1,200	38.99	46,788
10	Brinkman Smoker 815-3050	900	44.99	40,491
11	Bracken Buck Lure 200	12,000	2.99	35,880
12	2 Gun Plastic Gun Rack 100	5,000	6.99	34,950
13	Sterno 2PK Fuel 4040	9,600	3.39	32,544
14	Camo Mesh Hunting Cap 100	12,000	2.69	32,280
15	Buck Horn Mount Kit 59	2,400	12.99	31,176
	FIREARMS			
1	Winchester 12ga Pump Shotgun G120385R	6,320	149.99	947,937
2	Winchester 12ga Semi Auto Shotgun G14185R	3,730	249.99	932,463
3	Winchester Lever Action Rifle G9412E	4,400	179.99	791,956
4	Ruger 22cal Auto Carbine 10-22/RB	5,700	115.99	661,143
5	Remington 12ga Semi Auto Shotgun 5336	1,393	399.99	557,186
6	Marlin Lever Action Rifle 336CS	2,120	216.99	460,019
7	H&R Single Shot Shotgun 088	7,425	59.99	445,426
8	Ruger Mini 14/5R Rifle MINI 14/5R	1,480	249.99	369,985
9	Remington Pump Shotgun 5534	1,720	199.99	343,982
10	Marlin Semi Auto Rifle 60S	2,380	89.99	214,176

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	FISHING			
1	Keeper Bait Fish Formula FF	125,000	7.99	998,750
2	Zebco Spincast Kit 1545	37,050	15.99	592,429
3	Berkley Lightning Rods LR	12,685	45.99	583,383
4	Zebco Spincast Kit 1245	42,000	11.99	503,580
5	Shakespeare Ugly Sticks SC/SP	13,600	34.99	475,864
6	Garcia Spincast Kit 240/2255Z	21,360	19.99	426,986
7	Garcia Spinning Kit 43/2250Z	19,200	19.99	383,808
8	Zebco Spincast Reel 33CP	26,400	13.99	369,336
9	South Bend Spinning Kit C305/0312	28,300	9.99	282,717
10	Ryobi Baitcast Reel VMAG3	9,600	24.99	239,904
11	Garcia Spin Reel 653	12,200	17.99	219,478
12	South Bend Spincast Kit C105/0112	20,450	9.99	204,296
13	Daiwa Spin Reel AS1350BP	14,500	13.99	202,855
14	Plano Tackle Box 6303	13,440	13.99	188,026
15	South Bend Boron Plus Rods 9000	4,350	39.99	173,956
16	Fairfield Tckl Box w/Asst Lures TBP-1	21,640	7.99	172,903
17	Ryobi Spin Reel VRSX2	9,800	13.99	137,102
18	Daiwa Mini Cast System MC238	4,820	25.99	125,272
19	Daiwa Spincast Combo AC80/231	4,480	17.99	80,595
20	Vichek Tackle Box 1299	7,980	8.99	71,740

Source: Maurice Sporting Goods, Chicago, for calendar 1984. Maurice distributes to 31,000 stores, 72% of them discount stores, in 36 states. Prices reflect average price points of discount clients.

Fishing Gear Sales Seen On Upswing

By FRANK KATLIN
Executive Vice President, Maurice Sporting Goods

Fishing gear and exercise equipment, the backbone of many discounters' sporting goods departments, will again lead the way in 1985 with marine and camping products also expected to make significant strides.

Fishing equipment, particularly rods, reels and tackle, enjoyed a strong Christmas sell-through and if the weather holds up (February and March have been excellent) we should see a 15%-20% sales increase for the category.

A host of new product introductions including Shakespeare's Liberty graphite rods, fishing locators by Hummingbird and computerized reels by Daiwa should also help stimulate sales.

On the other hand, exercise equipment, although still an important segment in sporting goods, has begun to seek its own level. The health and fitness craze is still booming but the skyrocketing sales of the past two years, especially for exercise bicycles and home gym units, have tailed off. In fact, many mass retailers were heavily overinventoried in this category coming out of the Christmas selling season.

Area of Reliance

Best-sellers in home gym units will remain DP's Gympac and Ajay's OctaGym but price points have dropped considerably—because of increased competition and a recent flooding of the market—from well over $200 to as low as $120, on promotion. Bikes, which had been selling around the magic price point of $100 just a year ago, can now be found on promotion for as little as $29.99.

Over the last two years, marine products have been coming on very strongly and I see the trend continuing, especially in the Southeast and Southwest regions. All kinds of boating accessories have been experiencing strong sales including hitches, lights and paints, not just the more promotional life preservers.

Just about two years ago, these products could only be purchased at marina dealers, but recently chains like Wal-Mart, T.G. & Y. and Howard Stores have all embraced the category. It only requires an 8- to 12-ft. run.

Some of the best-sellers in the area will be Shakespeare's trolling motors, which range from $59 to $99, and boat seats by K&R Industries, which retail for about $24.99.

Another segment that has recently taken off again is camping. It tends to run hot and cold and apparently it's back in style. Tents by Coleman and other manufacturers are expected to enjoy a strong comeback this year.

ORTHO BRINGS ITS EXPERTISE... INSIDE.

ORTHO has a growing number of home and patio insecticides that are proving as popular as our outdoor products. These exciting products include our handy, ready-to-use line... and convenient aerosols...

All the indoor fast-action insecticides have the quality, killing power and convenience that your customers have come to expect from ORTHO. These best-selling ORTHO products include...

ORTHO Flea-B-Gon Flea & Tick Killer and ORTHO Home Pest Insect Control—in the 24 oz. ready-to-use trigger bottle, ½ gal. and 1 gal. sizes—kills on contact, then keeps killing for 6 weeks...or more.

Plus our popular ORTHO aerosol products make it easy to control pests... inside and out...with the mere touch of a button.

ORTHO WORKS

PLUS... BIG ADVERTISING BACK UP!

Home Pest Insect Control products will receive major media support in 1985... including television, radio, and newspaper... in many major markets.

Indoors or out... Ortho means business. Why not let Ortho work harder than ever for you... in 1985.

ORTHO
Chevron Chemical Company

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$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	RUBBERMAID			
1	Roughneck 2894-C 32-gal round choc can	7,607	22.49	171,081.43
2	Rect laundry basket choc 2965-C	14,592	6.02	87,843.84
3	Rect laundry basket almd 2965-AL	14,268	6.02	85,893.36
4	Drawer organizer 2915-AL 9 x 3 in almd	75,721	1.07	81,021.47
5	Twin turntable almd 2937-AL	16,063	5.03	80,796.89
6	Single turntable almd 2936-AL	27,181	2.96	80,455.76
7	Roughneck refuse 32-gal gray 2894-GB	3,303	22.49	74,284.47
8	Large rect wastebasket choc 2846-C	11,528	6.29	72,511.13
9	Deluxe dish drain wire almd 6032-AL	10,167	7.10	72,185.70
10	Drain tray 15x20 almd 1181-AL	14,648	4.85	71,042.80
11	Step-on wastebasket choc 2858-C	4,754	14.39	68,410.06
12	Small rect wastebasket choc 2845-C	13,210	5.12	67,635.20
13	Drawer organizer 9x6 almd 2916-AL	50,181	1.34	67,242.54
14	Drawer organizer 15x6 almd 2918-AL	35,190	1.88	66,157.20
15	Step-on wastebskt almd 2858-AL	4,584	14.39	65,963.76
	COOKWARE			
1	Wear-Ever Pref 26030 Silv 10-in chef fry pan	10,233	13.49	138,043.17
2	G/H 0707 "Granite" 21-qt canner w/rack	4,378	19.34	86,670.52
3	Wear-Ever Pref 26032 Silv 12-in chef fry pan	4,803	16.19	77,760.57
4	Ekco 64110 B/S lg cookie sheet 17 x 11	17,600	4.40	77,440.00
5	Wear-Ever Pref 26028 Silv 8-in chef fry pan	6,338	11.69	74,091.22
6	Ekco 64100 B/S med cookie sheet 15 x 10	15,782	3.95	62,338.90
7	Foley 397-79 pc Silv ckwr set	1,721	35.99	61,938.79
8	Nordic 51199 12c formed bundt asst	6,090	8.81	53,652.90
9	Wear-Ever Pref 26014 Silv sq griddle	3,342	15.29	51,099.18
10	Ekco 64330 B/S oblong util pan 13 x 9	12,396	3.95	48,964.20
11	Wear-Ever Prem 46030 Silv 10-in chef fry pan	2,912	14.39	41,903.68
12	Ekco 64200 B/S 12 cup muffin pan	8,661	4.76	41,226.36
13	Wear-Ever Prem 46032 Silv 12-in chef fry pan	2,166	18.89	40,915.74
14	Lodge 7SK2 cast iron skillet 10-in	5,314	7.19	38,207.66
15	Lodge 10SK2T cast iron skillet 12-in	2,745	12.86	35,300.70
	PLASTICS			
1	E/I spray bottle pint all purp 1048	39,768	1.43	56,868.24
2	Loma 364 32-gal garbage can green	5,271	10.79	56,874.09
3	Jm Kool-Aid jug 65044 w/tap w/display	9,077	5.39	48,925.03
4	Superseal 2757 2-qt decanter clear	19,264	1.97	37,950.08
5	Freezette 156 uprite set (3) 1 qt	10,681	2.96	31,615.76
6	Freezette 154 uprite set (5) 1 pt	10,495	2.96	31,065.20
7	Aurora A-175/6 plstc cttng brd 9x15 in	4,284	7.19	30,801.96
8	E/I 1024 spray bottle qt all purp	15,956	1.79	28,561.24
9	Contico 3622-BB decorator spray bottle qt	9,768	2.69	26,275.92
10	Freezette 155 uprite (4) 1.5 pt	8,730	2.96	25,840.80

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	MICROWAVE			
1	Nordic Micro-go-round 62304	2,533	50.39	127,637.87
2	Anchor PM469TI bacon rack 12 x 10-in	8,972	7.01	62,893.72
3	Rubbermaid 8534 8-pc set deluxe	1,044	41.39	43,211.16
4	Anchor PA600112 springpower trntbl	1,198	35.99	43,116.02
5	Anchor PM400126 popper/steamer/roaster	3,185	12.86	40,959.10
6	Corning MW-116 set	1,063	38.24	40,649.12
7	Nordic 63204 bacon/meat/rack	4,773	8.09	38,613.57
8	Corning MW-2 browning grill	1,109	34.19	37,916.71
9	Microette plate cover clear 486	5,642	6.02	33,964.84
10	Corning MW-11 little sizzler grill	1,557	21.59	33,615.63
11	Corning P240BPS grab-a-meal blk pck	3,816	8.55	32,626.80
12	Microette corn popper 3.5 qt 499	4,332	7.19	31,147.08
13	Corning grab-it (1) P150BPS	5,087	6.08	30,928.96
14	Anchor PM481TI vers pan w/div cov 1-qt	4,363	7.01	30,584.63
15	Corning MC-6 divided dish	1,417	20.24	28,680.08
	GLASSWARE			
1	Libbey 515 4pk wine Citation tall-6 oz	5,130	7.46	38,269.80
2	Riley 189T102 1-gal Sun Tea w/tap	6,953	5.21	36,225.13
3	Riley 189N102 1-gal Sun Tea jar	12,733	2.69	34,251.77
4	Anchor 3309-G 70-oz pumpkin jar	3,599	9.44	33,974.56
5	I/G 2410 cryst egg/relish tray 11 in	4,051	8.09	32,772.59
6	Libbey 519 4pk goblet Citation cryst	3,908	7.46	29,153.68
7	Libbey 108 24-pc set Bolero tawny	1,753	16.19	28,381.07
8	I/G 3678 cryst 5 part rect relish tray	3,272	8.63	28,237.36
9	Libbey 106 24-pc set Bolero blue	1,735	16.19	28,089.65
10	Anchor 300279A 18-pc Alngtn pnch bwl	1,727	15.29	26,405.83
11	Anchor 274M 1-gal sq met screwtop jar	5,534	4.67	25,843.78
12	G/H 15401 16-oz drinking jar w/handle	20,513	1.25	25,641.25
13	Libbey 107 24-pc set Bolero gold	1,532	16.19	24,803.08
14	Libbey 860 bulk tulip 9-oz champange	8,456	2.69	22,746.64
15	Libbey 858 bulk cryst/panl ir/cof mug	7,797	2.87	22,377.39
	CLEANING/CHEMICALS			
1	Willert 412GT T-bowl fresh deod tree	78,685	0.62	48,784.70
2	Lola 137-72 Exten-a-puff 6-ft pole	6,103	7.19	43,880.57
3	Nat c/broom 900 (20%) economy-4 sew	9,290	4.49	41,712.10
4	Ideal N-1212 squeegee 24-in wood handle	14,803	2.24	33,158.72
5	Lola 137-73 exten-a-sqgee 6-ft pole	4,369	7.19	31,413.11
6	Quickie 805-6 100% c/broom w/hook	4,809	5.66	27,218.94
7	Quickie 045 auto sponge mop	3,347	7.64	25,571.08
8	Roll-o-matic 1185 sponge mop	2,270	10.79	24,493.30
9	Quickie 044 handy squeeze mop	3,660	6.11	22,362.60
10	Vac bag T-16F&G Eureka uprights (2)	24,360	0.90	21,924.00

(Continued on page 52)

Smaller Biz Gain Eyed For 1985

By **JERRY FALK**
Executive Vice President, Bacar Inc.

Discounters in our five-state western market have only fair optimism for 1985, projecting housewares sales to slow down compared with last year's overall 10%-plus gains.

PRODUCT MOVEMENT AUDIT

Unlike 1984, when they rode the crest of significant popularity gains in closet, microwave cookware and vacuumware categories, discounters are making less heady projections.

What humbled them was the unusually promotional Christmas season, in which chains escalated ads on virtually all housewares categories to attract business they feared might never materialize. Shoppers came, but late in the year, producing anxieties and tempering discounters' enthusiasm about their ability to generate improved levels of everyday sales in 1985.

Notably, merchandisers have kept up their fierce promotional stance into the spring to remain competitive and prevent another inventory swell, such as occurred last fall.

Places Bets

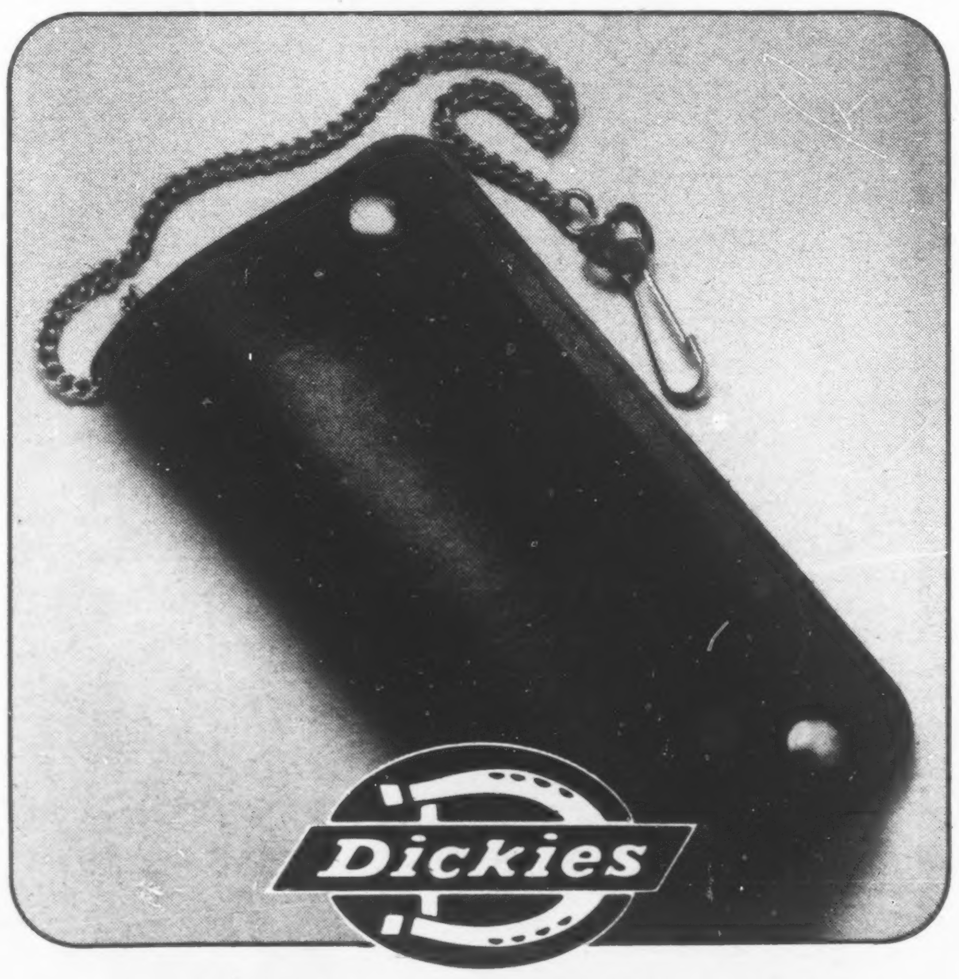
There's no single nonelectrics category driving the business now. This year's gains will probably be broad-based, considering the late-1984 sell-throughs on both basics and trade-up merchandise.

We also expect continued growth in closet and microware, and even higher percentage gains in vacuumware, which took off in 1984's final quarter on the strength of Aladdin steel bottles and new decorative thermal carafe offerings from Corning and Thermos Ware.

Corning's Thermique and Thermos Ware's Coffee Butler are helping develop a home tabletop and business office market for beverage servers that keep fluid temperatures constant and prevent bitter taste as happens when coffee sits in open drip coffeemaker carafes.

(Continued on page 52)

Worth your Money.



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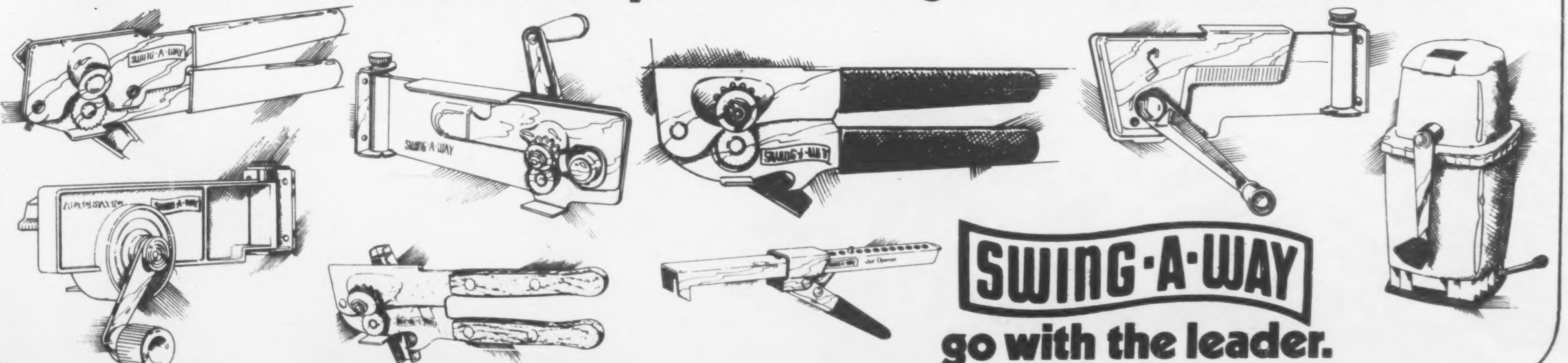

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Lower Gain

(Continued from page 50)

Prompted by dropping interest rates in the latter part of 1984, manufacturers put more inventory in the pipeline. That eliminated delivery problems, which beset the industry in 1984's first half and made discounters wary about committing to promotions on popular products they might not receive.

That's all changed for 1985; promotions are much heavier now than a year ago.

Discounters are meeting our market's increased value-consciousness, spurred by economic slowdowns in our primarily northern California and Nevada territory. Computer industry shakeouts have caused layoffs in Silicon Valley, trimming shoppers' inclination to trade up.

That's also contributing to full-liners' heightened promotional stance, which may abate by midyear once they tire of the profit-cutting strategy.

What's becoming a more permanent part of full-liner pricing here is greater competitiveness with catalogers, who beat them handily in 1984 on dinnerware prices. Chains like Gemco are also keeping an eye on wholesale clubs and home centers, which became more prevalent competitors in 1984. But, discounters' formats, service and selection should help them keep their share of the housewares business.

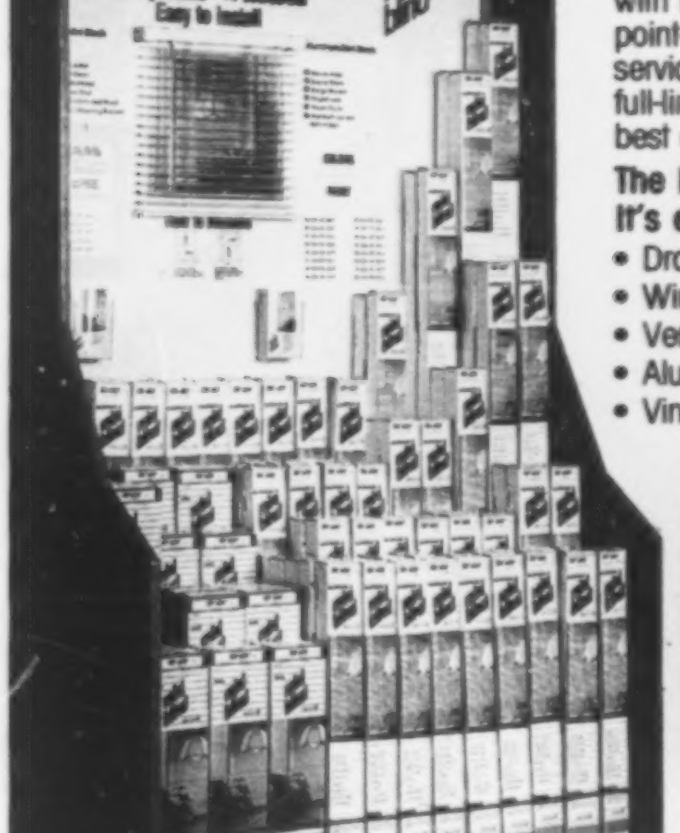
We expect slowed price hikes by domestic manufacturers—a trend begun last year—to continue through 1985 because of heavy competition among vendors, moderated union demands, less inflation and inceased direct-importing efforts by discounters.

Moreover, suppliers are maintaining their aggressive rebate programs in bids to maintain market share.

Everyone is watching his pricing in 1985. We expect industrywide price hikes to be 5% or less throughout the year.

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	TABLE TOP			
1	Corelle 16-N 16-pc set White	2,986	34.19	102,091.34
2	Livinger 16-23-N 16-pc set Morning Blue	1,880	34.19	64,277.20
3	Cornerstone T-20-82 20-pc set China Blossom	884	71.99	63,639.16
4	Livingware II 20-25 20-pc set Solitary	764	51.29	39,185.56
5	Expression 2020-12 20-pc set Indian Summer	541	70.19	37,972.79
6	Dimension IV 3216-32 16-pc set Cinnamon	739	51.29	37,903.31
7	Dimension IV 3216-34 16-pc set Slate	706	51.29	36,210.74
8	Cornerstone T-20-81 20-pc set Royal Garden	491	71.99	35,347.09
9	Corelle 418 med bowl (4) white	2,372	13.94	33,065.68
10	Livingware II 20-95 20-pc set Colonial Mist	579	51.29	29,696.91
11	Livingware 16-24-N 16-pc set Burgundy	809	34.19	27,659.71
12	Corelle 110 large plate (4) white	1,794	14.39	25,815.66
13	Expression 2020-7 20-pc set Wildflower	356	70.19	24,987.64
14	Livingware 16-29-N 16-pc set Ribbon Bouquet	673	34.19	23,009.87
15	Corelle 108 med plate (4) white	1,809	12.59	22,775.31
	CORNING			
1	Visions V-300 6 pc set 1, 1.5, 2.5-qt	2,517	44.99	113,239.83
2	Visions V-1 1-qt covd saucepan	7,404	14.39	106,543.56
3	French White F-370 10-pc hostess set	807	87.29	70,443.03
4	French White set F-268	2,164	32.39	70,091.96
5	Visions V-20 1.5-qt dbl blr w/cover	2,044	28.79	58,846.76
6	F-2 2½-qt oval cass/lid white	2,477	22.49	55,707.73
7	F-1 2½-qt round cass/lid white	2,383	22.49	53,593.67
8	French White F-14 4-qt cov oval cass	1,733	30.14	52,232.62
9	A-33-8 Trio set spice	906	53.09	48,099.54
10	French White F-21 roaster 4½-qt	1,565	28.79	45,056.35
11	F-3 10-in pie/quiche white	3,165	13.94	44,120.10
12	A-300-8 Starter set spice	817	53.54	43,742.18
13	A-33 Trio set cornflower	899	44.99	40,446.01
14	French Bisque F-2-55 2½-qt oval cov cass	1,301	22.49	29,258.49
15	Visions V-5 5-qt. covered saucepot	1,200	23.39	28,068.00
	PYREX			
1	233 3-qt oblong bake dish	16,073	7.19	115,564.87
2	532 32-oz liquid measure	18,758	4.94	92,664.52
3	516-N 16-oz. liquid measure	26,278	3.41	89,607.98
4	234 4-qt oblong bake dish	9,004	9.44	84,997.76
5	508-N 8-oz liquid measure	31,032	2.69	83,476.08
6	463-D 6-oz custard cup 4-pack	21,131	3.86	81,565.66
7	232 2-qt oblong bake dish	11,147	6.11	68,108.17
8	3520 2-liter juice jug	11,415	5.66	64,606.90
9	8014 1.5 liter cold bev server	11,852	5.12	60,682.24
10	464-D 10-oz deep pie dish 4 pack	9,641	5.30	51,097.30
11	222 2-qt square cake dish	9,450	5.03	47,533.50
12	5000 Bake n Store set	2,621	16.64	43,613.44
13	229 9½-in Flavor Saver pie plate	12,797	3.23	41,334.31
14	2330 3-qt util dish w/basket	2,156	18.89	40,726.84
15	95 3-pc mix bowl set clear	4,360	8.99	39,196.40
	GADGETS			
1	Sunbeam timer 8153-2 short ring almd	10,099	8.99	90,790.01
2	MLT cone fltr PA4-100 No. 4 (6 cp) 100 ct	26,056	3.41	88,850.96
3	Sunbeam timer 8153-1 short ring white	8,735	8.99	78,527.65
4	Saw can open "5-yr" hand almnd 407-A	14,287	5.39	77,006.93
5	Saw can open "Jr" small hand asst 107	26,994	2.78	75,043.32
6	Saw can open "5-yr" hand choc 407-C	13,813	5.39	74,452.07
7	R/K 102-AC refl bowl 8-in plug-in element	24,396	3.05	74,407.80
8	R/K 101-AC refl bowl 6-in plug-in	27,612	2.60	71,791.20
9	MLT cone fltr PA6-100 No 6 (10 cup) 100 ct	17,742	3.59	63,693.78
10	MLT coffeemaker system 10 cup SCM 10/6	6,745	8.99	60,637.55
11	R/K 106-AC refl pan 8-in GE&H/P Hng elem	27,684	1.88	52,045.92
12	R/K 105-AC refl pan 6-in GE&H Hng elmnt	35,229	1.43	50,377.47
13	Tric filter bskt gnrc GX-100 (100 pk)	54,717	0.89	48,698.13
14	MLT cone fltr PA4-40 No 4 (6 cup) 40 ct	30,292	1.52	46,043.84
15	E-Z Foil 1800 12-pk elec burner bibs	18,815	2.42	45,532.30
	BATH			
1	Grayline 1107 king size shower caddy	19,409	5.12	99,374.08
2	Grayline 1101 shower caddy	9,300	3.14	29,202.00
3	Excell 460-401 shower curtain astd (24)	4,623	6.29	29,078.67
4	Selfix C-441 shampoo spray	11,825	2.24	26,488.00
5	Selfix 443 port wall/hand shwr	2,367	10.52	24,900.84
6	Borg 3300PM scale sq almd	954	16.19	15,445.26
7	Borg 3300PM scale sq brown	841	16.19	13,615.79
8	Borg 7210PM scale rect brown	579	21.59	12,500.61
9	Borg 3300PM scale sq white	765	16.19	12,385.35
10	Borg 7210-PM scale rect white	550	21.59	11,874.50
11	Excell 999-03 s/curt lnr w/mag clear	3,847	3.05	11,733.35
12	Borg 3306PM scale wicker brown	593	18.89	11,201.77
13	Borg 252SLM scale oval almd	429	25.19	10,806.51
14	Borg 3306PM scale wicker natural	540	18.89	10,200.60
15	Borg 252SLM scale oval brown	368	25.19	9,269.92
	CLOSET			
1	Rex tubular plastic hanger almd-133	249,868	0.17	42,477.56
2	Rex tubular plastic hanger brown-133	224,386	0.17	38,145.62
3	Rex tubular plastic hanger white-133	193,914	0.17	32,965.38
4	Rex tubular plastic hanger rust-133	169,488	0.17	28,812.96
5	McMillin 4000 1-pc wire shoe rack	5,334	3.58	19,095.72
6	Sterilite 11006 shoe box almd lid	9,624	1.79	17,226.96
7	Tamor 5800/SA 5-pk child tube asstd	11,508	1.25	14,385.00
8	Bev HWH-06 wire drip/dry hanger st-6	19,300	0.71	13,703.00
9	Bev 1541-3 plastic suit hanger closet-3	6,626	1.88	12,456.88
10	Corr-Pak W2110 storage chest wood	7,679	1.61	12,363.19
11	Sterilite 44006 sweater box almd lid	3,054	4.04	12,338.16
12	Sterilite 74006 jumbo box almd lid	1,986	5.75	11,419.50
13	Bev T-159-2 wood trouser hangr set-2	7,705	1.34	10,324.70
14	Bev 1541-3 plastic suit hngr tort st-3	5,122	1.88	9,629.36
15	Bever 5-4 wood dress hngr set-4	6,826	1.34	9,146.84

Source: Bacar, distributors, San Jose, Calif., for the full calendar year 1984, covering 658 stores, including 480 mass merchandisers. Average retail prices reflect typical price points for mass merchandisers.



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Tempting New Housewares Buck Tight Open-to-Buys

(Continued from page 3)

With discounters generally slowing their tabletop and cookware upscaling efforts for fear of consumer backlash, buyers were especially glad to see the new wave in electrics that will help them shift department emphasis this year.

As part of industry scaleback efforts, K mart is reassorting cutlery, flatware and pantryware toward middle price points within its current $7-$35 retail range "to target a customer we might have missed," said senior buyer Donald Bratt. He's also selling 7-piece porcelain enamel-on-steel sets at $29.97 daily compared with $49.97 a year ago.

On top of that, chains such as S. E. Nichols, Gee Bee and Distributors Outlet are promoting 16- and 20-piece Brazilian ironstone sets at about $10, and T.G. & Y. imports 20-piece stoneware sets to sell at $19.99 daily. To stem further encroachment by imports, which grew to 52% of dinnerware volume in 1984, Corning has dropped prices 20%-41% and introduced a stoneware-look line, said Hal McMenamin, vp-marketing and sales.

The trade-ups buyers said will work in 1985 are in kitchen electrics, particularly rechargeables which will be touted as part of B&D's $100 million 18-month brand transition campaign and Sunbeam's $42 million advertising plan for the second half.

In 1985, B&D will spend 10 times what General Electric spent to advertise housewares, and Sunbeam more than its total the past five years, said executives of both companies waging this heated market share war.

Discounters told *DSN* almost unanimously that rechargeable knives, can openers and mixers would produce incremental business at retails 20%-30% higher than corded counterparts because they'll appeal to upscale customers and gift-givers.

Underscoring retailer confidence in the new segment, BJ's Wholesale Club buyer Terry Gula will divert from warehouse operators' usual stance of selling established products only, and add B&D rechargeables. "Their marketing groundwork makes me comfortable resourcing these new items," he said.

And, Nichols last month took chainwide the West Bend cordless iron it was testing in six stores, said hard lines gmm Herb Kaltbaum.

On product usefulness, others such as T.G. & Y. executive vp-marketing and management Ted Kazleman and Fisher's Big Wheel buyer Jeff Bestic think out-of-the-kitchen rechargeables such as vacuums and lights may be more important than many of this show's entries.

K mart senior buyer Dennis Dorn disagrees, while alluding to a possible male market segmet for cordless: "What's the difference if you put batteries in a flashlight, or use a cordless knife to filet a fish by the lake."

Besides rechargeables, which discounters expect to forge 20% appliance sales growth in 1985, this year's big gainers will be microwave cookware, health care and kd furniture, buyers said.

Promising Area

Anticipated 15% microwave unit growth in 1985 will be helped by the new freezer-to-microwave plastic containers, at retails under $4, the low end of the category price spectrum. "We can see merchandising them with microwave and food storage, which are both growing," said Gee Bee dmm Ken Goodie.

Discounters are less enthusiastic about SilverStone-lined microware which costs about $2 more than unlined goods. Gee Bee, for instance, eliminated its assortment several months ago. Nichols dmm Bernie Solomon noted no need for that trade-up because "microware cleans like a dish, and most people use microwaves for reheating only. Nonstick surfaces might be useful on roasting pans, on which food might get hot enough to stick."

However, Nordicware president H. David Dalquist III projects the market will settle eventually at one-third nonstick, as consumers use microwaves more knowledgeably for cooking rather than just heating.

Health care is another bright area for discounters, with chains such as Heck's and Pamida already planning high identity merchandising sections near their health & beauty aids departments. Recent 30%-40% price drops on digital thermometers and blood pressure kits, plus the development of easy-to-use features such as mikeless cuffs and large dials, are helping to spur such in-store activity, buyers said.

This year, the nation's unit sales of blood pressure kits will grow 30% and digital thermometers 300% because of falling prices which are attributable to factory automation and increased competition, said Sharp product planning manager Glen Weinberg.

Discounters are also projecting 15% volume growth in kd furniture, on the strength of computer desks, VCR stands and TV tables. "The electronics industry is driving the furniture business," said Clover buyer Jan Clausing. He noted further that European designs popular at chains like Conran's and IKEA have yet to dent full-line discounter assortments, where oak case goods are becoming increasingly popular.

The flat sales prognosis for personal care has led Conair and Clairol to introduce faddish compact neon-colored dryers to attract the youth market. But the discounter jury is split.

Venture buyer James Whitehead expects them to sell well near H&BA, records and posters. Gold Circle and Fisher's Big Wheel buyers said they'll promote the blister-packed items during summer and back-to-school.

But T.G. & Y.'s Kazleman was firm in his caution: "I doubt their product life cycle will be long enough to reach our stores."

Conair's Artz said the unrebated line is meant to be high margin at $12.99. "It's impulse. A person who wants a purple dryer will pay for it. If someone thinks he'll sell more at $10.99, he's nuts. This costs less than a double album."

Anchor Hocking also received lukewarm response to its packages for bulk glassware, intended to save front-end wrapping time and shelf space. Many buyers said promotional 18- and 24-piece sets were becoming more important than bulk for presentation and value. "Singles are too costly per piece, and too low a total sale for us to stress," said Nichols' Solomon.

Home Improvement Buyers: Security Most Exciting

(Continued from page 2)

have the mercury vapor and quartz outdoor lights by fall," noted Gold Circle's David Covitz.

While Gold Circle's strategy in security this year will be mainly to improve assortments, according to Covitz, by weeding out weak movers over the next couple of months, others declared greater ambitions.

Nelson said that planned additions at Howard Stores over a range of merchandise areas, including sodium, mercury and quartz lights, plus deadbolts, mortise locks and other products would be the main force behind a planned eventual 10% addition chainwide to the approximately 1,500 hardware sku's Howard carries.

Heck's buyer Carlos Owens said he expected to exploit an ongoing modularization of Heck's hardware department that is cutting a lot of product duplication by alternate vendors to give him the opportunity to bolster Heck's home protection area within the next few months.

Interest Reported

He spent his time at the show here scouting out resources both for more mundane items like entry sets and deadbolts and for seek and scan electronic burglar alarm sets that automatically sense light and motion.

On the less upbeat side, discounters noted that they were using this show to scout the remaining resources in the kerosene heater business and to develop alternatives.

Since Federal regulations controlling allowable emissions for kerosene heaters were promulgated a year ago, numerous makers have gone out of business. Inventories that were dumped on the market at that time are all but gone.

"Now, you're buying new compliance goods at nondistressed pricing," said Richway home improvement buyer Walter Sandlin, after touring the show.

Sandlin said he'd choose a new source from those he'd seen—his previous supplier's out of business—but "while we'll stay in the business I project the dollars will be a small fraction of what we've seen in the past."

Places Bets

Sandlin said he was pinning a lot of fall hopes on fireplace accessories where he was doubling sku's from four to eight. Behind his thinking was dramatic growth in homebuilding activity in Richway's market area, he said.

K mart's senior electrics buyer Dennis Dorn said that after reviewing the kerosene heater market situation with makers at the show he was about to make a final decision. He said he'd carry two or three items but that the combination of a shrinking market and higher price points would make him look elsewhere in the space heater category for the future, particularly at fan heaters. Several others said the same.

Discounters also used the Atlanta event to address a number of individual concerns.

S. E. Nichols has plans to enlarge the home center area of its departments 25%-30% within the next couple of months, reported buyer Roland Buchbinder.

So Nichols merchandisers, who had earlier reviewed the products they wanted for the new area, were at the show visiting makers of unpainted furniture, bathroom vanities and kitchen cabinets, to review potential arrangements for total programs and talk about what kind of space allotments would be necessary.

The Gold Circle team is on the verge of several decisions over the next few weeks with regard to fall programs in storage items, indoor lighting and is also strongly interested in moving ahead with a fastening system program it's been testing.

"The show gave us the opportunity not only to make some product reviews but also to go over what kind of vendor promotion we could expect in these areas," Covitz noted.

Dorn said that in addition to his primary review of the kerosene heater situation, he was also taking the opportunity of the show here to take a hard look at what kind of buys he could get on ultrasonic misters.

This novel type of home humidifier was a fast starter last year for many mass merchants but today "everybody's getting into the business and the price is being eroded," Dorn observed, projecting that retail prices would tail off 20%-25% by fall from this year's price points of about $89 everyday and $79 on ad.

Goals of Dennis Dorn, K mart's senior electrics buyer, at the home center show included finding buys on ultrasonic misters, and reviewing the shrinking kerosene heater market. *(DSN photo)*

Chains' '84 Profits Fail to Match Sales

(Continued from page 2)

gain.

K mart, along with a number of other retailers, inaugurated major merchandising changes last year to reposition their operations and make them more productive. These endeavors in most cases adversely impacted the bottom line last year.

"For the year as a whole, the impact of implementing major strategic changes in key segments of our business was more negative than had been anticipated, due largely to the highly promotional retail environment that existed throughout most of the past year," said Howard Goldfeder, chairman of Federated Department Stores, parent of Gold Circle and Richway.

Federated's sales increased 11.3% to $9.6 billion, but its net income slipped 8% to $286.7 million.

While only two of the 32 chains reported a loss, a truer indication of how difficult 1984 was for most of the leading retailers can be found in the net or operational earnings results as a percentage of sales.

At 14 chains, this percentage dropped, while at three others it remained the same. Only seven chains were able to show a higher percentage.

The gains registered by these seven didn't keep pace with the percentage increases recorded for their dollar earnings. Zayre discount stores, for example, had the highest gain in operational income, 34.6%, but as a percentage of sales it was 5.6%, only a 10.4% increase.

Ames' net income jumped 43.4%, the greatest gain of any of the 32 chains. But, net profit as a percentage of sales of 3.5% was only a 12.9% increase.

The heightened promotional environment was felt all year long, as is evident in the fiscal year results. But, the greatest impact was especially evident in the fourth quarter as chains became even more promotional to draw shoppers in the face of an uncertain economy while also taking extensive markdowns.

Holiday fourth-quarter results that were weaker than fiscal-year gains was the norm for most of the leading retailers, including such sterling performers as Wal-Mart and Toys "R" Us.

Wal-Mart, for example, recorded a 37.2% jump in sales and a 38% boost in earnings for the year, but the fourth quarter's figures were a 34% increase in volume and a 29% gain in income. At Toys "R" Us, the fiscal-year performance had sales jumping 29% and income ahead 20.7%, but the quarterly results were volume gaining 19.3% and earnings up 8.3%.

Jamesway was one of the few exceptions as its fourth-quarter performance was stronger than its overall fiscal year results. For the year, sales were ahead 14.1% and earnings gained 15.2%, while in the quarter volume jumped 19.9% and income increased 22.6%.

Correction

In the April 1 *DSN*, the stock chart incorrectly listed Family Dollar's 1984 earnings per share as (−$1.24).

The correct figure was $1.24, which was then adjusted to 83¢ a share following a 3-for-2 stock split in January.

Fashion Hosiery Gains: Pp. 13-14
Ethnic Hair Care Shifts: P. 18

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Pow! Service Mdse. Set to Get H. J. Wilson, Ellman's

Raymond Zimmerman, chairman, president and ceo of Service Merchandise, has set his sights on making his expanding chain significantly bigger than any other cataloger.

NASHVILLE — Service Merchandise expects to complete within the next two months its blockbuster acquisition of two other publicly held catalogers, H. J. Wilson and Ellman's, for a total of about $207 million in cash.

The two deals, with the H. J. Wilson acquisition in particular doggedly pursued by Service Merchandise's driving chief executive Raymond Zimmerman for a number of years, will make the diversified cataloger the industry's hot company: tops in number of showrooms and vying with archrival Best Products for the leading sales spot.

Service Merchandise's $1,656,992,000 volume last year will be boosted by about $600 million from the two acquisitions—$520.5 million from H. J. Wilson and about $70 million from Ellman's—putting the Nashville cataloger's sales over $2.2 billion, the same level as Best's.

But Service Merchandise will be way ahead in showrooms with 276: 187 under its own logo, 80 from Wilson and 9 from Ellman's. Another 13 Service stores so far, are due to be unveiled in 1985.

Best operates just over 200 showrooms and recently has only been opening about a half-dozen stores a year.

To finance the two acquisitions, Service has obtained a new line of up to $300 million in unsecured credit from eight banks headed by New York City's Chase Manhattan. The funds can be used for the two deals and for other corporate purposes, including any additional acquisitions should such opportunities arise.

Zimmerman, chairman, president and chief executive officer of Service, said plans for Wilson and Ellman's will be detailed when the acquisitions are completed.

Trade observers, however, expect the cataloger to eventually absorb the two companies into its own operation, mainly retaining showroom and regional personnel and only a few, selected headquarters executives and merchandisers.

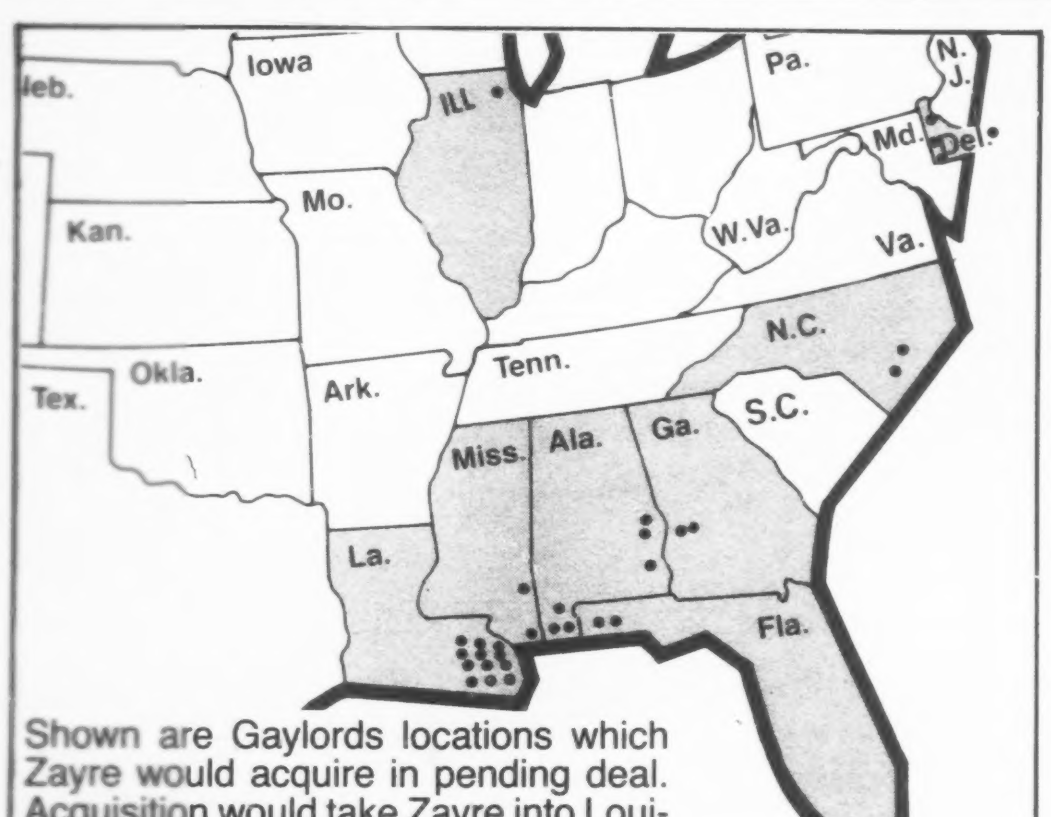
This would echo Service's pattern in other takeovers—seven years ago, when it bought the 24-unit The Value House for $34.8 million and last fall, for an undisclosed amount, four Towers units. In each case, Service only held onto the showrooms and some store personnel.

Service is now much stronger financially and operationally than when it acquired The Value House, so the Nashville company is much better able to "digest" Wilson, an executive with the latter company said.

Rival Best, when it acquired Modern Merchandising, did try to maintain the acquisition's independent identity, something that has been a key source of problems for Best.

Zimmerman reportedly has long been eying Wilson and Ellman's, along with a number of

(Continued on page 28)



Shown are Gaylords locations which Zayre would acquire in pending deal. Acquisition would take Zayre into Louisiana, Mississippi and Delaware for the first time.

Zayre Would Blitz N. Orleans With In-Progress Gaylords Buy

FRAMINGHAM, Mass. — Zayre Corp. was moving at presstime to take over 31-store Gaylords National.

The acquisition would propel Zayre to a pre-eminent spot among discounters in metropolitan New Orleans, plus bolstering its penetration of other southern markets.

Zayre paid almost $1.9 million for a 16.3% stake in Secaucus, N.J.-based Gaylords in the first step of a deal valued at about $12.6 million based on closing stock prices at presstime.

In New Orleans the buyout would yield Zayre 10 stores in Gretna, Harvey, Kenner, Metairie and in the city, and bring it nose to nose in the market with K mart, which has five units, and cataloger H. J. Wilson, about to be acquired by Service Merchandise, with four showrooms.

Zayre would also obtain two more units in Louisiana and two in Mississippi (in Gulfport and Meridian), states it is not in now.

Stock analysts noted a disparity between Gaylords' smaller stores, averaging 58,000-sq.-ft. selling space, and Zayre's, averaging 68,000. The price was right, however, several observed.

"They bought cheap real estate," commented Bear, Stearns analyst Monroe Greenstein.

Locations are compatible, too. Both discounters operate in Alabama, Florida, Georgia and North Carolina, but overlap only in one market, Fort Walton Beach, Fla.

In Alabama, for instance, Zayre has seven units in the heavily industrial, urbanized areas of Birmingham and Tuscaloosa, while Gaylords operates six stores in the Mobile and Montgomery areas.

Outside the South, Gaylords has one store near Chicago and four in Delaware, another potential new market for Zayre. Gaylords closed two Pennsylva-

(Continued on page 27)

Membership Warehouse Operations

First Head-to-Head Price-PACE Clashes To Occur in Philadelphia, Baltimore

PHILADELPHIA — Price Co. and PACE Membership Warehouse will square off here and in Baltimore this year, in their first head-to-head confrontation.

This will be the latest among mounting market-share battles being waged by the nation's membership warehouse chains.

San Diego-based Price bought 10 acres here at presstime for a newly built site to open this fall. PACE, headquartered in Denver, plans to follow almost immediately: "We'll enter Philadelphia with at least two clubs within the next 12 months," said Charles Steinbrueck, PACE senior vp-marketing and merchandising. "It's probably one of the strongest markets on the East Coast for this concept."

Price will also place its first unit in Baltimore this fall to compete against three 100,000-sq.-ft. PACE clubs to open in early August, company sources said. The PACE clubs were slated for spring 1985 openings originally, but construction problems on one delayed the openings of all three, reported Steinbrueck. "We'll open them simultaneously for maximum impact," he said.

Cincinnati-based Makro already has single units in both markets, but is considered a less direct competitor because it doesn't sell to retail shoppers, trade observers said.

Reasons operators cite for Price's and PACE's drive into new eastern territories include established retail markets, dense population, the current lack of competition and deep penetration of small businesses with 30 to 50 employees that make up the prime customer base for warehouse clubs.

More direct competition seems bound to occur as membership warehouse chains increasingly cover the Northeast corridor—far from most of their home bases in the Sunbelt.

Price is "now actively seeking sites in New York, New Jersey, Pennsylvania, Maryland and northern Virginia," said Giles Bateman, vp-finance. "Our Baltimore and Philadelphia openings are the first implementations of that strategy."

Of Price's 25 stores, only two are on the East Coast, in Richmond and Norfolk, Va. Price Club East, a 94%-owned subsidiary of Price Co., manages these units "and will manage our future northeastern sites,

(Continued on page 28)

IN BRIEF

- **COMP-U-CARD HAS OPENED ITS FIRST ELECTRONIC** retailing store featuring four interactive laser videodisc The Shopping Machine kiosks and three personal computers programmed for its Comp-U-Store On-Line and Comp-U-Mall services. The 500-sq.-ft. The Shopping Machine Store is in the Park City Center's West Mall in Lancaster, Pa.

- **HILLS HAS PLACED ITS ENTIRE APPAREL MERCHAN**dising under Leonard D. Sack, who retains the title of vice president-soft lines merchandising. Sack, who had previously only headed up the discounter's New York ladies' apparel office, was also given responsibility for the other soft goods, formerly under Stephen J. Jelin, who has become president of Prange Way.

- **AMES OFFICIALS INITIATED TALKS AIMED AT A TAKE**over of G. C. Murphy Co. for over $178 million. Ames already owns 3% of Murphy's common stock and has an option to buy 19.4% more from Minneapolis investor Irwin Jacobs. A proposed leveraged buyout of Murphy's by an employee stock ownership plan has been dropped.

Digest

April 29, 1985

CONSUMER ELECTRONICS

- **Best Buy is the latest CE retailer to make a public stock offering.** (p. 16)

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HEALTH & BEAUTY AIDS

Hair Care Spreads Its Roots

Pursuing the over-$2 billion shampoo/conditioner market, Zayre, Medford, Mass., stocks key items like Prell and Head & Shoulders and a few with natural ingredients like sea kelp.

ETHNIC H&BA

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Care Free Curl Instant Mstrzr, 8 oz.	362,852	4.05	1,469,550.60
2	Worlds of Curl Gel Activator, 6 oz.	339,084	3.75	1,271,565.00
3	Lustrasilk Rght On Crl Actvtr, Lqd, 8 oz	328,928	3.75	1,233,480.00
4	Dark & Lovely Creme Relaxer Kit	129,688	8.21	1,064,738.40
5	Care Free Curl Activator, 8 oz	227,010	4.40	998,844.00
6	Stay Sof Fro Oil Sheen, XDRY, 8 oz	245,174	3.83	939,016.42
7	Gentle Treatment Cndtnng Crm Rlxr Kit	78,045	9.55	745,329.75
8	Worlds of Curl XDRY, 6 oz	184,402	3.75	691,507.50
9	Luster S-Curl Kit	67,077	9.95	667,416.15
10	Lstrslk Rght On Crl Instnt Mst Cnd 8 oz	158,063	3.95	624,348.85
11	Care Free Curl Instnt Moistrzr, 12 oz	106,364	5.65	600,956.60
12	Worlds of Curl Comb Out Reg., 8 oz	180,590	3.00	541,770.00
13	Proline Curly Kit	52,088	9.95	518,275.60
14	Proline Super Curl Kit	48,130	9.95	478,893.50
15	Luster S-Curl Activator, 8 oz	94,439	4.45	420,253.55
16	Donnie's Curl Rejuvenator, 8 oz	92,291	4.50	415,309.50
17	Revlon Fabulaxer Kit	46,224	8.95	413,704.80
18	Stay Sof Fro Curl Activator, 8 oz.	88,351	4.50	397,579.50
19	TCB Gel Curl Activator, 6 oz	92,678	4.25	393,881.50
20	Worlds of Curl Comb Out, XDRY, 8 oz	130,230	3.00	390,690.00
21	Lustrasilk Curly Look Control, 12 oz	103,285	3.75	387,318.75
22	Bronner Brothers Dbl Strngth Super Gro	56,333	6.50	366,164.50
23	Care Free Curl Activator, 12 oz	58,523	6.20	362,842.60
24	Long Aid Gel Activator, 10.5 oz	100,213	3.50	350,745.50
25	Revlon Relaxer Kit	40,462	8.25	333,811.50

Source: Ben Sheftall Distributing, for calendar 1984, covering more than 5,000 stores, including 75 mass merchandisers. Average retail prices reflect typical price points for mass merchandisers.

New Ethnic Star: Nonlye Hair Relaxer

By **RICHARD EICHHOLZ**
President,
Ben Sheftall Distributing

PRODUCT MOVEMENT AUDIT

The biggest thing we see happening in our marketplace is the leveling off of the curl activators and moisturizers. Items like Care Free Curl Moisturizer, Lustrasilk Activator, and the Worlds of Curl activator are our biggest items and they were still growing last year but the big gulp has almost been swallowed.

There's a real shift going on in the whole ethnic health & beauty aids area that this is part of. We see black consumers moving toward more hair relaxers but with nonlye products.

We see the future for us in nonlye relaxers that don't even show up on the 1984 list of top movers.

Dark & Lovely has a product that's not close to the rankings yet but next year you'll definitely see it on the list. What you can see is a tremendous change in items like the Luster S-Curl Kit. People are using it as a straightener because it's got a sodium hydroxide base and that's driven it up to No. 9 on our 1984 list.

The year before it was only our 36th best moving product.

Also, take a look at the No. 6 position for Stay Sof Fro Oil Sheen, extra dry, in the 8-oz. size. It has moved up six positions because on relaxed, long straight hair it doesn't look too shiny.

Meanwhile, the regular 8-oz. Stay Sof, which used to be one of our top products and the item on which the maker, M & M Products, was entirely built, has dropped right out of sight.

This shift in styles means that usage of curl kits is going to fall off as well. This began last year and you can see it with the Proline Super Curl Kit. The item's No. 14 on this year's chart but it was our eighth best mover in 1983.

Other things you'll see coming up this year are wave pomades like Dax & Murray's Super Hair Pomade in the 3-oz. size. We've already seen a tremendous surge in movement but the retail dollars are still low so you don't see the effect yet.

There also should be some changes in products put out by companies that are advertising very heavily, like Lustrasilk, Worlds of Curl and Donnie's American Beauty Products. They're all coming on very strong with bus and subway signs and not just using the magazines and radio. They're working closely with the retailers and this should have its effect.

Venture Unveils 2

ST. LOUIS — Venture has opened two stores in Bridgeton and Rockford, Ill., bringing the total number of units in operation to 58.

Dennis Johnson has been named manager of the Bridgeton store and Paul Kulick will manage the Rockford store.

3 ON THE MONEY.

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